



**PHD**

**Diversify or Die? The Response of Ghanaian Non-Governmental Development Organisations (NGDOs) to a Changing Aid Landscape**

Kumi, Emmanuel

*Award date:*  
2017

*Awarding institution:*  
University of Bath

[Link to publication](#)

**Alternative formats**

If you require this document in an alternative format, please contact:  
[openaccess@bath.ac.uk](mailto:openaccess@bath.ac.uk)

Copyright of this thesis rests with the author. Access is subject to the above licence, if given. If no licence is specified above, original content in this thesis is licensed under the terms of the Creative Commons Attribution-NonCommercial 4.0 International (CC BY-NC-ND 4.0) Licence (<https://creativecommons.org/licenses/by-nc-nd/4.0/>). Any third-party copyright material present remains the property of its respective owner(s) and is licensed under its existing terms.

**Take down policy**

If you consider content within Bath's Research Portal to be in breach of UK law, please contact: [openaccess@bath.ac.uk](mailto:openaccess@bath.ac.uk) with the details. Your claim will be investigated and, where appropriate, the item will be removed from public view as soon as possible.

# **Diversify or Die? The Response of Ghanaian Non-Governmental Development Organisations (NGDOs) to a Changing Aid Landscape**

**Emmanuel Kumi**

A thesis submitted for the degree of Doctor of Philosophy (PhD)  
University of Bath  
Department of Social and Policy Sciences

November 2017

## **COPYRIGHT**

Attention is drawn to the fact that copyright of this thesis rests with the author.

A copy of this thesis has been supplied on condition that anyone who consults it is understood to recognise that its copyright rests with the author and that they must not copy it or use material from it except as permitted by law or with the consent of the author.

This thesis may be made available for consultation within the University Library and may be photocopied or lent to other libraries for the purposes of consultation with effect from.....(date)

Signed on behalf of the Faculty/School of.....

## TABLE OF CONTENTS

Table of Contents.....	i
List of Tables .....	v
List of Figures.....	vi
Acknowledgements.....	vii
Abstract.....	viii
List of Abbreviations .....	ix
<b>Chapter One: Introduction</b> .....	1
1.1 Background of the study .....	1
1.2 Research aim and questions.....	2
1.3 Research methodology.....	3
1.4 Definition of NNGDOs.....	4
1.5 Contribution and scope of the study .....	4
1.6 Outline of thesis .....	5
<b>Chapter Two: NGOs striking the balance: Resource dependency and agency</b> .....	7
2.0 Introduction.....	7
2.1 NGOs' conceptualisation and evolution .....	7
2.1.1 The rise of NGOs in development.....	7
2.1.2 Critical voices against NGOs .....	9
2.2. NGOs' resource-dependent environment.....	11
2.3 Donor-NGDO relations: The rise of partnership and dependency .....	12
2.4. Agency in NGOs' environment .....	14
2.5 Conclusion .....	15
<b>Chapter Three: Theoretical frameworks for understanding NGOs' dependency and agency</b> .....	16
3.0 Introduction.....	16
3.1 Resource dependency theory .....	18
3.1.1 Strategies for managing resource dependence.....	19
3.1.2 Criticisms of RDT .....	20
3.2 Institutions and Isomorphism.....	21
3.2.1 Institutional Isomorphism.....	21
3.2.2 Criticisms of neo-institutional theory .....	23
3.3 Strategic responses for managing institutional processes .....	23
3.3.1 Predictors of strategic responses .....	25
3.4 Conclusion .....	27
<b>Chapter Four: Research Methodology</b> .....	29
4.0 Introduction.....	29
4.1. Research scope.....	29
4.1.1 Critical realist orientation of the research .....	30
4.2 Research Design .....	33
4.2.1 Mixed methods in NGO research .....	33
4.2.2 Phase one: Qualitative research.....	33
4.2.3 Phase two: Quantitative research.....	35
4.2.4. Phase three: Qualitative research.....	41
4.3 Reflexivity and positionality.....	48
4.3.1 Ethical considerations.....	50
4.4 Validity and reliability .....	51
4.5 Challenges of conducting organisational research.....	52
4.6 Conclusion .....	53

<b>Chapter Five: Non-governmental development organisations and civil society in Ghana</b>	54
5.0 Introduction	54
5.1 Ghana in Context: Geographic and demographic characteristics	54
5.1.1 Social characteristics	54
5.1.2 Economic environment	56
5.1.3 Political environment	56
5.2 Ghana's official development assistance (ODA) landscape	57
5.2.1 Changing aid landscape and its implications	59
5.3 Historical overview of NGOs and civil society in Ghana	61
5.3.1 NGOs and civil society in pre-structural adjustment	61
5.3.2 NGOs in structural adjustment era	61
5.3.3 NGOs in post-structural adjustment	62
5.4 NNGDO landscape in Ghana	63
5.4.1 Nature and numbers	63
5.4.2 Main sectors of operation	63
5.4.3 Geographic location and distribution	64
5.5 Structure and Governance	65
5.5.1 Year of establishment	65
5.5.2 Organisational size	65
5.5.3 Volunteer support	66
5.5.4 Board of directors	67
5.6 NNGDO funding landscape and sources of funding	67
5.6.1 Donor funding landscape	67
5.6.2 Donor shifting priorities	68
5.7 NNGDO income mobility between 2010 and 2015	70
5.7.1 Funding variety and funding category for NNGDOs	72
5.8 Inter-organisational relations	73
5.9 Conclusion	74
<b>Chapter Six: Resource diversification as a dominant strategic response</b>	75
6.0 Introduction	75
6.1 Commercialisation as resource diversification strategy	75
6.1.1 Emergence of social enterprise among NNGDOs	78
6.1.2 Issues and challenges of social enterprise	79
6.1.3 Effects of social enterprise on organisational mission	81
6.1.4 Reasons for commercialisation	82
6.2 Domestic resource mobilisation (DRM)	83
6.2.1 Corporate philanthropy from the private sector	83
6.2.2 Individual and philanthropic donations	86
6.2.3 Volunteer support	87
6.2.4 Government funding and support	88
6.3 Diversification through holding onto external donor resources	89
6.4 Diversification in thematic areas and operations	90
6.4.1 Thematic diversification	90
6.4.2 Operational diversification	91
6.4.3 Locational diversification	93
6.5 Conclusion	94

<b>Chapter Seven: Other strategic responses</b>	95
7.0 Introduction	95
7.1. Typology of NNGDOs' networks and coalitions	95
7.2 The emergence of consortia	95
7.2.1 Large to-small NNGDO consortia and sub-grantee relations	95
7.2.3 National level networks and coalitions	102
7.2.4 Power in networks	103
7.3 Cost recovery mechanisms	104
7.3.1 Operating organisational reserves	104
7.3.2 Building and moving of office space	107
7.3.3 Reducing administrative expenses by downsizing	108
7.4. Brand and visibility enhancing strategies	112
7.5 Conforming to institutional pressures	114
7.6 Strategic planning	116
7.7 Avoidance strategies	117
7.8 Influencing strategies	118
7.9 Conclusion	121
<b>Chapter Eight: NNGDOs' strategic responses: Analysis and Discussion</b>	122
8.0 Introduction	122
8.1 Theoretical explanations for resource diversification	122
8.1.1 Self-financing	122
8.1.2 Domestic resource mobilisation	125
8.1.3 Thematic, operational and locational diversification	129
8.2 Networking and partnerships	131
8.2.1 Isomorphic pressures in inter-organisational collaboration	133
8.2.2 Drivers of institutional pressures on networks and coalitions	134
8.2.3 Power imbalance in NNGDOs' institutional field	136
8.3 Cost recovery	137
8.4 Brand and visibility	138
8.4.1 NNGDO-Media engagement	139
8.4.2 Digital media and NNGDOs' visibility	140
8.5 Conformance to institutional pressures through accountability	141
8.5.1 Coercive pressures and NNGDOs' accountability systems	141
8.5.2 Mimetic and normative pressures from compliance	142
8.6 Strategic planning	143
8.7 Avoidance strategies	145
8.8 Influencing strategies	147
8.9 Conclusion	148
<b>Chapter Nine: Conclusion</b>	149
9.0 Introduction	149
9.1 Overview of the research	149
9.2 Summary of research findings	150
9.3 Research contributions to knowledge	155
9.3.1 Theoretical contributions	155
9.3.2 Empirical contributions	156
9.3.3 Methodological contributions	158
9.4 Research implications for NGDO management and policy	158
9.5. Limitations of the study	159
9.6 Scope for future research	160

<b>References.....</b>	<b>162</b>
<b>Appendices.....</b>	<b>179</b>
Appendix 1: Information sheet and questionnaire .....	179
Appendix 2: Summary profile of sampled 32 NNGDOs.....	190
Appendix 3: List of respondents and interview schedule .....	195
Appendix 4: Interview guide for NNGDO leaders .....	198
Appendix 5: Interview guide for donor representatives .....	202
Appendix 6: Interview guide for NGDO networks and coalitions .....	204
Appendix 7: Interview guide for government officials and corporate organisations.....	206
Appendix 8: Income mobility matrix for NNGDOs .....	210
Appendix 9: Sources of funding for sampled NNGDOs .....	213
Appendix 10: Funding criteria for NNGDOs .....	218
Appendix 11: Template funding application form.....	219

## **List of Tables**

Table 3.1: A five-part typology of organisational responses to institutional pressures.....	24
Table 3.2: Institutional antecedents and predicted strategic responses .....	28
Table 4.1: Explanation of the research design.....	34
Table 4.2: Compilation of NNGDOs' database for sampling frame.....	36
Table 4.3: Location of NNGDOs' headquarters by districts .....	38
Table 5.1: MDBS to Ghana between 2005 and 2014.....	60
Table 5.2: Programme intervention areas for sampled NNGDOs.....	63
Table 5.3: Regions of programme intervention for sampled NNGDOs.....	64
Table 5.4: Adjustment of income categories to reflect inflation .....	71
Table 5.5: NNGDOs' income mobility between 2010 to 2015.....	71
Table 5.6: Trends in NNGDOs' type of funding between 2010 and 2015.....	72
Table 9.1: Summary of NNGDOs' strategic responses and their prevalence .....	150

## List of Figures

Figure 3.1: Theoretical frameworks .....	17
Figure 4.1: Research design .....	34
Figure 4.2: Location of NNGDOs' headquarters by districts.....	37
Figure 5.1: Political map of Ghana with administrative regions.....	55
Figure 5.2: Official development assistance (Commitments) to Ghana between 1995 and 2015.....	58
Figure 5.3: High presence of NGDOs on the Gumani Road in Tamale .....	65
Figure 5.4: Years of establishment of sampled NNGDOs .....	65
Figure 5.5: Number of paid staff employed by NNGDOs .....	66
Figure 5.6: Number of volunteers employed by NNGDOs.....	66
Figure 5.7: Number of sources of funding for sampled NNGDOs .....	72
Figure 5.8: Trends in NNGDOs' source of funding between 2010 and 2015.....	73
Figure 7.1: Typology of NNGDOs' networking .....	96
Figure 7.2: A newly built office space by an NNGDO in Accra.....	108



## **Acknowledgements**

I would like to express my sincere gratitude to God for His protection, guidance and support throughout my PhD journey. I am also grateful to my supervisors Professor James Copestake and Dr. Roy Maconachie for their unending support, encouragement, criticisms and intellectual direction that has brought me towards the completion of this thesis.

In conducting my fieldwork in Ghana, I would like to appreciate certain individuals who provided diverse support especially Dr. Akosua Keseboah Darkwah of the University of Ghana, Charles Kojo Vandyck and Isaac Hubert Arthur of the West African Civil Society Institute (WACSI). I express my profound gratitude to all the NNGDOs and key informants who gave me access to their organisation and provided valuable insights for my research. Time and space will not permit me to mention the names of all individuals in the NNGDO sector who have been instrumental to this research but I hope my findings would provide insights and also serve as a way of thanking them for their immeasurable support. I appreciate Nicholas, Susan, Issah, Fusheini and Krispin for the hospitality and friendship you provided during my fieldwork.

My gratitude extends to the University of Bath for funding this research through the 50<sup>th</sup> Anniversary Excellence Studentships for Overseas Students. I would also like to thank the Royal Commonwealth Society-Bath for providing financial assistance for my fieldwork.

Special thanks to my fellow PhD students Britta, Goni, Kinga, Chao, Kuat, Berenice and Sarah for your encouragement. I am also grateful for the moral support provided by my friends Alex, Joe, Thomas, Victor, Muazu, Lydia, Michael, Eric and Albert.

Finally, I would like to thank all my family members who have encouraged and supported me throughout my PhD journey. In particular, I am grateful to my mother, Cecilia Owusu for raising me up as a single parent who had to sacrifice all she had for my education. This thesis would not have been complete without the constant love, encouragement and support of my wife Yaa and daughter Isabelle who endured the loneliness of me being away from home. To these special people, I say I am grateful for your understanding and moral support.

## Abstract

This thesis examines how national non-governmental development organisations (NNGDOs) in Ghana have responded to recent changes and on-going uncertainty in their operating environment, particularly the effects of shifting donor funding priorities, the country's graduation to lower-middle-income status and a subsequent decline in availability of external funding. It is based primarily on data about NNGDOs operating in the health, education and agriculture sub-sectors in the Northern, Upper West and Greater Accra Regions of the country.

While academic research on changing aid landscapes has grown significantly in recent years, there is a gap in knowledge concerning how NNGDOs in countries that have recently graduated into lower-middle-income status respond to their changing environment to ensure their sustainability. This study addresses this gap. It addresses two central research questions, one empirical and the second theoretical. First, what different ideas and strategies have NNGDOs in Ghana developed in response to the changing opportunities and constraints arising from their uncertain external environment? Second, to what extent do resource dependency theory, neo-institutional theory and Oliver's typology of strategic responses explain NNGDOs' dependency in Ghana?

The thesis is informed by a critical realist ontology, and employs a mixed methods sequential explanatory research design. This involved a preliminary qualitative phase (including ten in-depth interviews), followed by collection and analysis of quantitative data and a further qualitative phase. The quantitative phase drew on survey questionnaires administered to fifty-nine NNGDOs. Thirty-two NNGDOs were then included in follow-up qualitative interviews. In total seventy-two in-depth interviews were conducted with NNGDO leaders, donor representatives and government officials.

To assess NNGDO responses, the research draws on and critically assesses resource dependency theory, neo-institutional theory and Oliver's typology of strategic responses, and derives from them an integrated framework for explaining strategic organisational responses to a changing operating environment. Using this framework, it identifies eight main strategies and nineteen tactics employed by NNGDOs to secure their short-term survival and long-term sustainability. These strategies are: i) Resource diversification; ii) Networking and partnerships; iii) Cost recovery; iv) Branding and visibility; v) Conformance to institutional pressures; vi) Strategic planning; vii) Avoidance; and viii) Influence. This analysis highlights how NNGDOs play an active role in responding to their changing operating environment. Their response is also influenced by the emerging discourse of sustainability. But although donors were at the forefront of the sustainability discourse, their actions did little to enable NNGDOs to reduce their dependency on them.

The study further demonstrates that organisational responses are not only shaped by resource and environmental factors, but also organisational characteristics including leadership. The changing operating environment encouraged ingenuity among NNGDOs to be creative and active participants of their environment through initiatives aimed at ensuring their sustainability. The thesis shows that NNGDOs' dependency does not preclude agency given that their leaders make strategic choices in their operating environment. This study therefore questions and challenges a tendency for the NGDO literature to downplay their agency and room for manoeuvre in a resource-dependent environment.

## **List of Abbreviations**

ADMD	Aid and Debt Management Division
AfDB	African Development Bank
BUSAC	Business Sector and Advocacy Challenge Fund
CBE	Complementary Basic Education
CBOs	Community-Based Organisations
CSOs	Civil Society Organisations
CSR	Corporate Social Responsibility
CR	Critical Realism
DAC	Development Assistance Committee
DANIDA	Danish International Development Agency
DFID	Department for International Development
DPs	Development Partners
DRM	Domestic Resource Mobilisation
DSW	Department of Social Welfare
ERP	Economic Recovery Programme
GAPVOD	Ghana Association of Private Voluntary Organisations in Development
GBS	General Budget Support
GCNH	Ghana Coalition of NGOs in Health
GDP	Gross Domestic Product
GNECC	Ghana National Education Campaign Coalition
GOG	Government of Ghana
G-RAP	Ghana Research and Advocacy Programme
GSS	Ghana Statistical Service
HIPC	Heavily Indebted Poor Country
IDA	International Development Association
IMF	International Monetary Fund
INGOs	International Non-Governmental Organisations
INGDOs	International Non-Governmental Development Organisations
ISODEC	Integrated Social Development Centre
LMIC	Lower-Middle-Income Country
MDRI	Multilateral Debt Relief Initiative
MMDAs	Metropolitan, Municipal and District Assemblies
MOFEP	Ministry of Finance and Economic Planning
NGOs	Non-Governmental Organisations
NGDOs	Non-Governmental Development Organisations
NIT	Neo-Institutional Theory
NNED	Northern Network for Educational Development
NNGDOs	National Non-Governmental Development Organisations
NPA	New Policy Agenda
ODA	Official Development Assistance
OECD	Organisation for Economic Co-operation and Development
PAMSCAD	Programme of Action to Mitigate the Social Costs of Adjustment
PNDC	Provisional National Defence Council
RDT	Resource Dependency Theory
RGD	Registrar General's Department
SSA	Sub-Saharan Africa
SAP	Structural Adjustment Programme

SBS	Sector Budget Support
STAR-Ghana	Strengthening Transparency, Accountability and Responsiveness in Ghana
UNDP	United Nations Development Programme
USAID	United States Agency for International Development
VSLA	Village Savings and Loans Associations
WACSI	West African Civil Society Institute
WASH	Water, Sanitation and Hygiene

## **Chapter One: Introduction**

This chapter sets out the background to the thesis, explains its goals, methods, contribution and scope. It briefly describes key terms and provides a chapter-by-chapter outline. In brief, the thesis examines the strategic behaviour and response of national non-governmental development organisations (NNGDOs) in Ghana to uncertainty in their operating environment. In particular, it is interested in understanding how NNGDOs are adapting to changes following Ghana's graduation to lower-middle-income status and subsequent decline of external donor funding. These conditions create uncertainty about their short-term survival and long-term sustainability. At a more theoretical level, the thesis is concerned with understanding NNGDOs' agency in actively responding to changes in their environment. In doing so, it integrates perspectives from organisational management and international development.

### **1.1 Background of the study**

In the last few years, the aid ecosystem and operating environment of non-governmental development organisations (NGDOs) has been rapidly changing. This is caused in part by complex interlocking factors including the emergence of new development actors (e.g. non-traditional donors), fiscal austerity in many Development Assistance Committee (DAC) countries and the graduation of many poor countries into the lower-middle-income status following sustained economic growth (Mawdsley, 2012; Gore, 2013; Alonso et al., 2014; Heinrich et al., 2016). In addition, the desire of many transitional economies to reduce their dependence on aid framed normatively as 'beyond aid' or 'post-aid world' has also led to the creation of an uncertain landscape within which NGDOs have had to operate (Janus et al., 2015; Appe, 2017). These factors have led to complex shifts in aid policies and patterns prominent among them include the changing strategic priorities and funding modalities of external donors in many developing countries. For instance, the recent years have seen the increasing emphasis on aid-for-trade and complex funding mechanisms including multi-donor pooled funding, results-based management and direct-government transfers (Eyben, 2013; Huyse and De Bruyn, 2015; Pousadela and Cruz, 2016).

The changing strategic priorities of donors is far from new (Doornbos, 2003; AbouAssi, 2013), but it is especially worrying for NGDOs highly dependent on donor resources for their survival. The changing funding environment exposes NGDOs to financial vulnerability and environmental uncertainty especially where alternative resource mobilisation efforts are limited. This situation becomes even more challenging for small and medium-sized NGDOs perceived to have more limited organisational capacity than well-established NGDOs operating at both international and national levels. For this reason, their ability to acquire critical resources in their changing and uncertain environment is key to their survival. Some commentators argue that NGDOs' resource acquisition within their operating environment exposes them to control by donors because of their dependence (e.g. Reith, 2010; Banks et al., 2015). The exercise of donor power over NGDOs is through funding requirements and conditionalities which in turn promotes upward accountability to donors rather than downward accountability to intended beneficiaries (Ebrahim, 2003; Agyemang et al., 2017). As a result, NGDOs are perceived to be weakened by being overly responsive to the strategic interests of donors. For this reason, the existing NGDO literature emphasised their dependence while understating their room for manoeuvre in circumventing resource dependency (see, for example, Hudock, 1995; Edwards and Hulme, 1996; Parks, 2008; Reith, 2010; Morfit, 2011; AbouAssi, 2013; Banks et al., 2015; Suárez and Gugerty, 2016).

The potential problem of donor induced NGDO dependency is particularly acute in countries like Ghana that have recently graduated into lower-middle-income status. The limited funding opportunities amidst an increasing number of NGDOs tend to fuel competition and expose them to financial vulnerability (Pousadela and Cruz, 2016). The issue examined here is how far this narrative of NGDOs' weakness downplays their agency and room for manoeuvre. More precisely, I examine how NGDOs use their agency to strategically and opportunistically circumvent structural dependency to ensure their survival.

NGDOs' environment is undergoing rapid changes as part of the 'new aid landscape'. While discussion of changing aid landscape is far from new (e.g. Aldaba et al., 2000; Malhotra, 2000), recent years have seen a revived interest (see Mawdsley, 2012; Mawdsley et al., 2014). In particular, discussion of diminishing aid and donor withdrawal is gaining momentum (Pallas et al., 2017; Hayman and Lewis, 2017; Kumi, 2017a). However, general analysis at the global level needs to build on more detailed research at the country-level, and there is a particular need to do so in countries that have graduated to lower-middle-income country status (Buckley and Ward, 2015). Evidence on the impact of aid reduction and donor withdrawal has to date also mostly focused on South Asian and Latin American countries (e.g. Parks, 2008; Appe, 2017; Pallas and Nguyen, 2017), rather than sub-Saharan Africa (SSA). This seems paradoxical given that official development assistance (ODA) to SSA in recent years has also been declining and is expected to continue doing so following the graduation of countries to middle-income status (Moss and Leo, 2011; AfDB, 2017). More importantly, the perspective specifically of NNGDOs at the country level is absent in much of the discussion. Given that most NNGDOs in lower-middle-income countries are dependent on donor resources for their survival, a reduction in funding or change in priority areas poses a particular threat to their survival and sustainability. This in turn affects their ability to deliver on services to intended beneficiaries and contributions to the achievement of the Sustainable Development Goals (Arhin, 2016).

While the middle-income status accolade is a 'welcoming development', Kanbur (2012) and Kanbur and Sumner (2012) remind us about the 'changing geographies of poverty' with the majority of the world's poor living in middle-income countries. For example, although Ghana has made significant progress in human development in recent years, there are still many pockets of extreme poverty, increasing levels of inequality and lack of access to basic social services including health facilities and education (GSS, 2014a; Abdulai, 2017; McKay and Osei-Assibey, 2017). The burden of providing social and other essential services is daunting and therefore this presents a huge challenge to government. In this regard, NNGDOs complement government's efforts in service provision and advocacy to address the social challenges confronting the nation. For this reason, NNGDOs have to survive and become sustainable to continue the provision of their services to intended beneficiaries. For this reason, understanding the multiple ways NNGDOs are reacting, responding and adapting to their changed environment to ensure their short-term survival and long-term sustainability is crucial. At present, the existing literature has failed to systematically explore how NNGDOs are using their agency to respond to changes in their turbulent external environment to remain sustainable.

## **1.2 Research aim and questions**

The aim of this research is to examine how NNGDOs are adapting to a turbulent external environment to remain sustainable. More specifically, it focuses on two research questions with the first, empirical question being the most important.

- a) What different ideas and strategies have NNGDOs in Ghana developed in response to the changing opportunities and constraints arising from their uncertain external environment?
- b) To what extent do resource dependency theory, neo-institutional theory and Oliver's typology of strategic responses explain NNGDOs' dependency in Ghana?

In answering these two interrelated questions, I question and challenge the existing NGDO literature understating considerably their room for manoeuvre in a resource-constrained environment. I argue that while NNGDOs are dependent on their external environment for resources, they are agile and proactive in exerting their agency to ensure their survival. NNGDO leaders strategically make decisions to remain dependent on donor resources because it is considered the best option at their disposal. In doing so, this thesis argues that survival concerns have led NNGDOs to become 'dependent agents' who have chosen to remain dependent in their resource-constrained environment.

In seeking to understand NNGDOs' responses to uncertainty, this thesis challenges mainstream literature inclined to emphasise their dependency rather than agency and how they interrelate. In doing so, I draw insights from Resource Dependency Theory (RDT) (Pfeffer and Salancik, 1978), Neo-Institutional Theory (NIT) (DiMaggio and Powell, 1983; DiMaggio and Powell, 1991) and Oliver's typology of strategic responses to institutional pressures (Oliver, 1991). I argue that RDT and NIT help in understanding how NNGDOs seek resources in addition to how power is distributed and contested. Resource dependence results in the exertion of institutional pressures and constraints in terms of institutional control. The need for resources therefore compels NNGDOs to conform to such demands in ensuring their survival, hence the need for drawing on NIT. However, NIT focuses more on institutional stability than the organisational change that might arise from the exercise of agency and strategic choice by NNGDOs. This study therefore also draws on insights from Oliver's typology to understand NNGDOs' agency. The integration of these theoretical perspectives helps in building a comprehensive framework for understanding the multiple ways in which NNGDOs respond to uncertainty by exercising both agency and dependency at the same time in their operating environment.

### **1.3 Research methodology**

In understanding NNGDOs' behaviour and strategic responses to uncertainty, I adopt a critical realist ontology and use a mixed methods sequential explanatory design. This consists of three phases: qualitative, then quantitative and again qualitative. Most weight is given to the qualitative data. The first phase involved an in-depth interview with ten key informants with extensive knowledge of the NNGDO sector between August and September 2015. The aim was to understand ground-level realities and complexities in the sector in terms of NNGDO sustainability issues. This helped in the identification of important themes for the design of the quantitative survey questionnaire in phase two.

In phase two, I undertook a quantitative survey with fifty-nine randomly selected NNGDOs operating in health, education and agriculture sectors across three regions of Ghana (Greater Accra, Northern and Upper West Region). The aim of the quantitative research was to map differences and commonalities in the types of NNGDOs with regards to their resource mobilisation, sources of funding and organisational characteristics. I analysed the quantitative data using descriptive statistics and income mobility matrix. The results informed the selection of thirty-two NNGDOs based on a criterion sampling for the qualitative research in phase three.

I conducted forty-two key informant interviews with NNGDO employees mainly Executive Directors, Programmes Directors and Field Officers using semi-structured interviews. The interviews focused on resource mobilisation strategies and challenges, donor funding modalities and relationships and strategies for ensuring organisational survival and sustainability. In addition, I conducted eleven in-depth interviews with donor representatives (bilateral, multilateral, international non-governmental development organisations (INGDOs) and philanthropic organisations), five government officials, four NNGDO networks and coalitions. In total, sixty-two interviews were conducted during the qualitative phase of the research.

The qualitative research took place between January and July 2016. All interviews were conducted face-to-face in English at respondents' offices and were recorded with their prior consent which were later transcribed. Aside from interviews, I relied on field notes, journals and archival research. The qualitative data were inductively and iteratively coded using thematic analysis which involved four levels of coding that helped in the identification of themes. Discourse analysis was used in understanding how NNGDOs framed and made sense of their operating environment. After the qualitative data analysis, I undertook data integration of the quantitative and qualitative research from the different phases in providing a more comprehensive analysis of NNGDOs' behaviour and strategic responses.

#### **1.4 Definition of NNGDOs**

For the purpose of this research, the definition of key terms is outlined below in order to provide definitional clarity on the terminologies used throughout this thesis.

I acknowledge the contested and ambiguous nature of non-governmental organisations (NGOs) due to their diversity and heterogeneity (Vakil, 1997). However, for the purpose of this thesis, I draw on the definition of Salamon and Anheier (1992:135). From the structural/operational perspective, they defined NGOs by five distinct characteristics namely they are: i) formalised or institutionalised organisations; ii) private in structure and separate from government control; iii) non-profit-distributing; iv) self-governed by internal organisational mechanisms; and v) at least partly reliant of voluntary support. Hence, I define an NGO as a formalised, self-governed, non-governmental, non-profit distributing and at least partly voluntary organisation. In addition, I focus on NGOs with explicit development goals (hence NGDOs), including to reduce poverty and inequality, promote democracy and provide social services to serve the needs of the wider society.

This additional qualification reflects Vakil's (1997:2060) argument for conceptual clarity on the definition of NGOs by focusing on organisational attributes rather than types. The usage of NGDO in this thesis reflects Vakil's essentialist descriptors (i.e. orientation and levels of operation) perspective. NGDOs exist not to advance the interests of one segment of society but to perform or achieve some developmental purposes on behalf of a wider population. In this thesis, the use of NGDO excludes other civil society organisations (CSOs), including those that exist to serve the interests of a defined membership (e.g. professional associations, religious groups, political parties and community-based organisations (CBOs)). The existence of NGDOs in development is legitimised by their implementing (provide services such as healthcare, poverty reduction and education), catalytic (emphasis on development change) and partnership roles (working with donors and governments) (Lewis, 2007:88). NGDOs can also be included in the wider category of CSOs, but they are not strictly membership-based and have a publicly stated development mission.

Throughout this thesis, I use NNGDOs to refer to development organisations that have their origin, registration status and governance structure within Ghana. These organisations are owned and managed by Ghanaians and do not include INGDOs that have acquired local registration status in Ghana (i.e. country offices of INGDOs and those created by INGDOs). Although many NNGDOs receive support from INGDOs, their governance structures must be legally distinct from them. These organisations often label themselves 'national or local NGOs' to distinguish themselves from both CBOs and INGDOs. In doing so, they attach nationalistic significance to their work to reflect their legal registration status. While some CBOs call themselves 'national NGOs', they are excluded from this thesis on the grounds of not being legally registered. However, NNGDOs can be further differentiated on the basis of their spatial coverage, size (large, medium and small), values and more specific objectives (while at the same time consistent with promoting 'development' by serving the needs of intended beneficiaries in Ghana).

#### **1.5 Contribution and scope of the study**

This research contributes to understanding NNGDOs behaviour and strategic responses when confronted with uncertainty in their operating environment. In doing so, it critically reviews and then combines RDT, NIT and Oliver's strategic response typology into an eight-part framework for understanding NNGDOs' agency. Empirically, the research contributes to knowledge by offering a rich account of how NNGDO staff in Ghana perceive their agency in a changing operating environment. In doing so, it contributes to knowledge by challenging the tendency of existing literature to understate NGDOs' agency and room for manoeuvre in their resource-dependent environment.



Theoretically, this research contributes to the organisational theory literature by providing a holistic strategic response model for understanding NGOs' responses to uncertainty. It extends Oliver's typology by adding tactics of integration, rejection and suspension to avoidance strategies. In addition, it contributes to organisational theory by empirically testing the applicability of Oliver's typology in the context of NNGDOs in Ghana. In doing so, it highlights that Oliver's typology is not comprehensive in understanding the multiple ways in which NNGDOs strategically behave and respond to uncertainty in their operating environment. It also extends RDT by focusing on the role of individual leadership style, alongside other organisational characteristics to understand how NNGDOs manage uncertainty in their operating environment. It also shows that the role of mergers, acquisitions and inter-locking directorates as strategies for managing dependence proposed by RDT remains limited with regards to small and medium-sized NNGDOs because of their highly personalised characteristics. Finally, it extends neo-institutional theory by identifying NNGDOs' networks, coalitions and development consultants as important sources of mimetic isomorphism.

This research focuses exclusively on the complex and multiple ways in which NNGDOs and their leaders have developed strategies in response to changes in their operating environment. It is not concerned with NNGDOs' accountability to intended beneficiaries, effectiveness of their development interventions and organisational performance. In addition, it is limited to an assessment of NNGDOs' financial resource mobilisation between 2010 and 2015.

### 1.6 Outline of thesis

The thesis is organised into eight further chapters. **Chapter two** examines the literature on NGOs and their operating environment. I start with a historical overview of NGOs by tracing their rise within the global aid system. I then move on to review literature on NGOs and their resource-dependent environment, focusing specifically on resource acquisition, relationships with donors and agency. I highlight a tendency in the mainstream literature to downplay NGOs' agency and autonomy because it focuses on dependency in their operating environment.

In **chapter three**, I step back from the mainstream NGO literature to focus on organisational and management literature. In doing so, I select and critically review key theories and concepts about organisational dependency and agency with the aim of developing a broad theoretical framework for analysing and explaining the empirical findings. I start with a review of resource dependency theory in order to understand how organisations acquire resources in their operating environment. I then highlight the limitations of the theory. Next, I focus on neo-institutional theory specifically the concept of isomorphism in understanding how resource dependency results in institutional control. While it offers useful insights, it fails to account for organisational agency. I then review the literature on organisational agency by focusing on Oliver's typology of strategic responses. I conclude by highlighting that the theories are complementary rather than substitutes. Consequently, I then use a combination of the theories as the analytical lens for the empirical findings.

**Chapter four** lays out the approach and methods adopted for this research. I begin by outlining its scope. This is followed by a detailed description of critical realism as my philosophical and methodological stance. I then provide an explanation of the use of mixed methods research and the three phases of the research design focusing on sampling, data collection and analysis. I reflect on my positionality as a researcher in addition to ethical considerations, validity and reliability of research findings. I also reflect on the research challenges and how I navigated them.

**Chapter five** presents information on the contextual background of the NGO sector in Ghana. I start by providing general information on Ghana's socio-economic and political environment. I then turn to examine Ghana's changing aid landscape and its dynamics. This is followed by a historical overview of the NGO and civil society sector to highlight their roles and relationships with governments and donors

during different phases of Ghana's political history. This information serves as a foundation for understanding NGDO-donor dependency and its effects on their strategic behaviour and responses. Next, I focus on the background information and results of the quantitative research. I explore NNGDO funding landscape in order to understand the resource constraints and pressures facing them.

**Chapter six** turns to focus on findings from the qualitative research. Specifically, I present the empirical findings on resource diversification as a dominant strategy employed by NNGDOs. I develop a three-part typology of diversification strategies of commercialisation, domestic resource mobilisation and holding on to external donor funding through thematic, operational and locational diversification. I also provide a detailed account of the challenges and opportunities associated with each strategy and its potential for ensuring NNGDOs' survival and sustainability.

**Chapter seven** extends the empirical findings by exploring seven additional strategies employed by NNGDOs. These are strategies of networking and partnership formation, cost recovery, brand and visibility, conformance to institutional pressures, strategic planning, avoidance and influencing. I then examine underlying factors driving the choice of specific strategies, their potential and limitations for organisational survival and sustainability.

**Chapter eight** analyses the empirical findings and the second research question drawing on the theoretical frameworks reviewed in chapter three. My aim in doing so is to examine the extent to which resource dependency theory, neo-institutional theory and Oliver's typology are helpful or otherwise in explaining the empirical findings.

**Chapter nine** concludes by presenting a summary of research findings. I conclude the thesis by arguing that inductively this research has identified eight main strategies employed by NGDOs in responding to uncertainty. It has shown that NNGDOs are constantly formulating ideas and strategies in response to changes in their external environment. However, some strategies are more potentially transformative than others in ensuring their survival and sustainability. NNGDOs focus more on the implementation of less risky if also less transformative strategies in ensuring their short-term survival. In this regard, I highlight that they have strategically chosen their dependency on donor resources as a mechanism for ensuring their survival. Next, I outline the main contributions of this research to the existing knowledge of NGDO management and strategic options and reflect on the implications of the research findings for NGDO management and policy. Finally, I highlight the limitations and suggest avenue for further research.

## **Chapter Two: NGOs striking the balance: Resource dependency and agency**

### **2.0 Introduction**

This chapter reviews the literature on NGOs' management and strategic options. My aim in doing so is to frame the research and draw out key ideas to inform the design, data collection, analysis and discussion of the research findings. I start by situating the discussion of NGOs within a wider global development system by exploring the global rise of NGOs in the 1980s and 1990s. This is followed by a discussion of criticisms of NGOs with particular attention to their legitimacy, accountability and autonomy. I then review the literature on NGOs' resource-dependent environment by examining how far the need for resources has created a dependency relationship between NGOs and donors, and the implications of this. The chapter concludes by highlighting that much of the existing literature is inclined to understate NGOs' agency because of its emphasis on dependency.

### **2.1 NGOs' conceptualisation and evolution**

In retrospect, the past three decades have seen the proliferation of NGOs in both development discourse and reality. The shifting global political and economic challenges over the various historical times have altered the emergence of NGOs (Bebbington et al., 2008). However, while NGOs rapidly proliferated in the 1980s and 1990s, their formative period especially for INGOs dates back to the nineteenth century (Boli, 2006:333). According to Boli and Thomas (1999), the emergence of NGOs in the late 1800s was in response to factors such as economic expansion, religion and improvement in communication systems. During this period, their activities mostly focused on scientific and technical issues as part of their engagement in the modernisation and development process aimed at promoting economic growth in Third World countries (Landim, 1987). In this regard, the growth of NGOs was in response to the need for welfare programmes such as the distribution of food supply undertaken by developed countries (MacDonald, 1994 cited in Brumley, 2010).

However, this focus on welfare provision as part of the modernisation agenda took a different turn in the 1960s and 1970s. During this period, the emergence of NGOs in Latin America and Asia for example, was as a result of the changing socio-political environment which was mainly dominated by authoritarian governments. These authoritarian regimes, Brumley (2010) argues, provided little space for the operations of NGOs. In this regard, their activities were confined to social interventions and the promotion of alternative development pathways. For instance, Mitlin et al. (2007) noted that some new social movements emerged in their attempt to overcome the process of exclusionary development and therefore provided an alternative to the social and political order at the time. Similarly, Manji and O'Coill (2002) emphasised the rise of many grassroots and popular organisations in Africa after the end of the Second World War with the aim of promoting basic rights. Bebbington et al. (2008:11-12) described this period as the second phase of NGOs' history which signified the early stages of their growth. Although NGOs were relatively small scale, there was a growing awareness for their roles as alternative for challenging the relationship between the state and market.

#### **2.1.1 The rise of NGOs in development**

The rise of NGOs in development policy and practice has been extensively documented albeit with diverse perspectives (e.g. Edwards and Hulme, 1997; Lewis, 2007; Hershey, 2013). That notwithstanding, the consensus is that shifting economic and political conditions of the neoliberal era in the 1980s and 1990s led to the rise of NGOs in many developing countries including Ghana (Gary, 1996; Alikhan et al., 2007). Some commentators claim this period is known as the NGO decade (Bebbington et al., 2008). However, as Lewis and Opoku-Mensah (2006) argue, the dominant account of NGOs in the literature has been largely normative and lacks contextual and theoretical clarity and acuity. This notwithstanding, the rise of NGOs has been phenomenal given that they have received much attention in development policy and practice.

Estimating the precise number of NGOs is daunting because of the absence of a reliable database. Nonetheless, the Union of International Organisations (UIA) estimated that there were 58,588 NGOs in 2013 compared to 20,634 in 1985 (UIA, 2014). In many developing countries, the NGO sector has witnessed tremendous growth over the last three decades. In Ghana, data gathered from the Department of Social Welfare (DSW) during fieldwork indicates that the number of registered NGOs (local and international) has increased from 80 in the mid-1980s to 6,520 as of May 2016. Similar trends of NGO boom has been reported in Kenya where the number of registered NGOs increased from about 400 in 1990 to 6,000 in 2008 (Brass, 2012:209).

The rise of NGOs in the 1980s and 1990s is attributed to the availability of donor funding especially for southern NGOs (Bebbington and Riddell, 1995; Alikhan et al., 2007). While accurate data on resource flows to and through NGOs is lacking, Agg (2006:17) using OECD data estimates that between 1980 and 2002, official development assistance (ODA) to NGOs increased from 0.18% to 6.0% (i.e. from \$47.6 million to \$4.0 billion). For the United Kingdom, Wallace et al. (2006:55) maintained that the Department for International Development (DFID) increased NGOs' funding by 400 per cent (£68.7 million) between 1983 and 1993/94 which subsequently increased to £182.0 million in 1998/99. The rise of NGOs in the 1980s and 1990s as some commentators suggest is linked to increased donor preferences for their services during the neoliberal era (Lewis, 2007). During this period, policy makers and international development organisations targeted NGOs, as they became 'articles of faith' for development but this became a legitimisation strategy for the aid industry (Tvedt, 1998). Tvedt further argues that propaganda and dogmatic underpinning of NGOs informed the articles of faith discourse. Similarly, Lewis and Opoku-Mensah (2006:670) maintain that many research on NGOs in the 1980s and 1990s were donor sponsored and "written by researchers in cash-strapped academic institutions" which largely favoured NGOs. The focus at the time was on organisational attributes like their roles in locally driven empowerment programmes to the neglect of their external environment (De Graff, 1987).

For this reason, donor interests in NGOs were informed by shifting ideological, economic and political conditions. Ideologically, donors perceived many governments in developing countries as bureaucratic, corrupt and inefficient which led to the failure of state-driven development (Edwards and Hulme, 1996). The developmental state at the time was regarded as part of the problems facing many developing countries because of its facilitation in capital accumulation processes (Sender and Smith, 1986). Donor disillusionment of state-led development was in part due to its failure to demonstrate measurable results in areas like poverty reduction. Informed by the disillusionment, NGOs were perceived as having comparative advantage over the state because they were less bureaucratic, cost effective and efficient with their programmes targeted at the poor (Bebbington et al., 2008). The perceived comparative advantage gained much prominence in development thinking favouring NGOs as alternative source of ideas and practices to the failed state (Mitlin et al., 2007). NGOs' comparative advantage led to an increased funding for their activities because of the position they occupied as "new sweethearts of development" (Banks et al., 2015:708). However, NGOs' perceived comparative advantage has been criticised for lack of evidence (Tvedt, 1998; Lewis, 2007).

Although deliberate donor decision contributed to the growth of NGOs, the role of domestic economic and political factors cannot be ruled out especially in many SSA countries. The preference for market-based world order and liberal democracy promoted the growth of NGOs because they were envisaged to have the capacity to assist people to participate, compete in the market and provide welfare services to the marginalised (Copestake, 1996). In addition, their activities were premised to promote good governance, democracy and development. The political transformation and liberation of countries like Ghana through the introduction of democracy and multi-party systems provided the enabling environment for the growth of NGOs (see Section 5.3).

This was part of the New Policy Agenda (NPA) and reflected the ideological preference for market-based world order and liberal democracy. The NPA combined market-based approaches to development and liberal democracy in defining the role and relationship existing between the state, civil society and the private sector (Copestake, 1996). The NPA and its associated good governance agenda became the institutional orbit of development especially in poverty reduction but as critics argue, it failed to deliver on its promise (Grindle, 2010; Hickey, 2012). For instance, Grindle (2010) described the good governance agenda as an inflated idea while Hickey (2012) points out that NPA programmes including Poverty Reduction Strategy Papers (PRSPs) failed to strengthen institutions and structures because of its ideological narrowness.

While donor preference and funding resulted in the growth of NGOs, much of the existing literature pay attention to what Lewis (2007:39-40) calls “discovery by outside agencies” thereby neglecting how NGOs used their position to rise to prominence. NGOs increasingly became powerful and important political actors in policy arena by expanding their activities and influence through campaigns, activism and policy dialogue. For instance, NGO coalitions played important roles in global activism and campaigns like the Make Poverty History (Harrison, 2010). Aside from this, individual NGOs like Oxfam and ActionAid helped in raising awareness about global inequality and poverty.

### **2.1.2 Critical voices against NGOs**

The sense of optimism and celebration for NGOs’ involvement in development in the 1980s and early 1990s was short lived. Lewis and Opoku-Mensah (2006:668) argued that after the dominant neoliberal era, donors and the general public no longer perceived NGOs as alternative pathway to development. Their role increasingly became questioned within the aid industry and academic circles by critics and supporters. Critical voices emerged out of self-reflexivity by practitioners about their roles, relevance and future ‘beyond aid’ (Aldaba et al., 2000). For instance, Edwards and Hulme (1996) raised concerns about their closeness to donors rather than intended beneficiaries. Echoing similar concern, Fowler (2000a) points out that NGOs became increasingly institutionalised within the global aid system but later fell out of favour where funding started declining. The changing aid architecture at the time focused on direct transfers from government to government rather than NGOs. A classic example was donors’ interest in the provision of budgetary support and government’s involvement in the PRSPs which demoted NGOs into a peripheral role as watchdogs (Lewis and Opoku-Mensah, 2006).

The critical literature centres on issues such as NGOs’ accountability, loss of credibility, legitimacy and closeness to donors (Banks et al., 2015). The first set of criticisms relates to NGOs’ accountability and legitimacy<sup>1</sup>. While the literature on accountability and legitimacy is widespread, they remain highly contested (e.g. Meyer and Rowan, 1977; Suchman, 1995; Ebrahim, 2003; Walton, 2013). For example, Walton (2013) argues that NGOs’ legitimacy is influenced by contextual and political factors especially in conflict-affected areas. He suggests that such understanding is ignored in the mainstream literature because of its narrow emphasis on NGOs’ qualities including accountability, transparency and responsiveness. This notwithstanding, the increased preference for NGOs has resulted in the creation of a ‘development marketplace’ where they sell their services by becoming intermediaries between donors and their intended beneficiaries (Lewis and Mosse, 2006; Krause, 2014). The grassroots serve as a ‘virtuous location’ where NGOs can claim their alliance with the ‘poor’ through acts of representation which helps them to connect with donor resources. The need for resources often leads to

---

<sup>1</sup> I acknowledge the different types of organisational legitimacy. However, for the purpose of this thesis, I follow Suchman (1995:574) and define organisational legitimacy as “a generalized perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs, and definitions”. He identified three main dimensions of organisational legitimacy namely pragmatic, moral and cognitive (see Suchman, 1995 for details).

NGDOs' upward accountability to donors rather than downward accountability to intended beneficiaries (Ebrahim, 2003; Chahim and Prakash, 2014; Agyemang et al., 2017).

The increasing emphasis on upward accountability to donors raises questions about NGDOs' long-term legitimacy. Hayman (2016) and Walton et al. (2016) point out that INGDOs are facing an alleged crisis of legitimacy caused in part by several interlocking factors such as their aid dependence, shifting global power relations and changing operational environments. For example, they are increasingly facing backlash in poor and middle-income countries like Ethiopia where government regulatory environment is becoming unfavourable because foreign funded NGDOs are accused of serving external interests (Dupuy et al., 2015). NGDOs' crisis of legitimacy is fuelled by negative public perception where they are recognised as the 'creation of donors' rather than community initiated and fail to be responsive to the pressing needs of intended beneficiaries. Implicitly this has negative effects on their ability to mobilise domestic resources crucial for their survival and long-term sustainability (Kumi, 2017b)<sup>2</sup>.

Directly related to the above is NGDOs' inability to maintain autonomy. In implementing donor projects, the existing literature indicates the loss of autonomy because of resource dependence (Reith, 2010; Morfit, 2011; Banks et al., 2015). Since donor funding acts as the lifeblood for the survival of NGDOs, some commentators claim that they tend to satisfy and fall victim to donor demands and priorities. For example, Morfit (2011) and AbouAssi (2013) in their study of NGDOs in Malawi and Lebanon found that they shifted their priorities in response to donor funding. For these authors, NGDOs had to align with donor interests because they were 'being controlled'. Although such normative arguments are useful in understanding the limitations associated with NGDOs' political weakness, it understates their ability to exercise agency. However, as I will argue in subsequent chapters (six, seven and eight), NGDOs' alignment with donor priorities is a deliberate tactic that serves their interests in ensuring their survival.

A third criticism levelled against NGDOs relates to their inability to demonstrate quantifiable short-term impact in the lives of their intended beneficiaries. Bawa (2013) for example, suggests that NGDOs inability to bring about the needed change in Ghana has led to lack of trust and a negative public image. Other critics further suggests that they are established with the explicit aim of 'enjoying donor dollars' rather than serving intended beneficiaries (Bano, 2008). Working with NGDOs provide opportunities for individuals to tap into the aid chain. In explaining the impact of aid on NGDOs' performance in Pakistan, Bano (2008) noted that NGDO leaders were driven by material motivation which translated into low performance because they failed to mobilise membership for their programmes. Reports of corruption and NGDO leaders enriching themselves with donor money is widespread (Smith, 2010; Kimemia, 2014).

NGDO leaders act as 'development entrepreneurs' by combining their localness and expertise with the donor landscape to engage in aid business. Morfit (2011) demonstrated how the inflow of donor funds led to a proliferation of AIDS NGDOs in Malawi. Olivier de Sardan (2005) suggests that the moral economy of corruption works through local development actors. They constitute an important aspect of the patronage network in development because of their mediation functions. Development entrepreneurs establish briefcase and one-man NGDOs as a way of creating employment for themselves and their

---

<sup>2</sup> In this thesis, I conceptualise sustainability from a holistic and multidimensional perspective. I define sustainability as the ability of NNGDOs to continue serving the needs of intended beneficiaries in order to achieve their mission and vision over time. I consider sustainability as an on-going and iterative process between "different strategic, organisational, programmatic, social, and financial elements" (Haley and Salway, 2016:581). For discussion of other dimensions of sustainability, see Devine, 2003; Hailey and Salway, 2016; Hayman, 2016.

families. However, as Hilhorst (2003) cautions, the exercise of identifying fake NGOs is in itself a political action.

Lastly, some critics highlight that although NGOs serve as transmitters of information on poverty reduction, their policies and programmes often distort local level knowledge about poverty which affects the impact of their programmes. In her study of NGOs in poverty reduction in Ghana, Porter (2003) argues that they excluded the expertise and knowledge of intended beneficiaries in their poverty reduction programmes. As some critics have argued, many NGOs are administratively separate from intended beneficiaries because their offices are located at the regional and district capitals rather than the villages where majority of intended beneficiaries live. In using the specific case of Ghana, Osei (2017) claims that NGOs have contributed to the underdevelopment of rural communities because their strategies are external expert-driven with little community involvement. In the next section, I discuss NGOs' external environment with particular attention to resource dependence.

## **2.2. NGOs' resource-dependent environment**

Organisations operate in complex environments characterised by uncertainty (Pfeffer and Salancik, 1978). For this reason, they deal with a number of items simultaneously in their environment which creates institutional complexity (Greenwood et al., 2011). Much of the existing literature on NGOs and their external environment has focused on institutional aspects in terms of resource usage rather than acquisition. This has led to a proliferation of research on NGOs' impact evaluation and accountability (e.g. Copestake et al., 2016; Agyemang et al., 2017) to the neglect of their wider external environment and its effects on NGOs. However, organisational external environment plays a crucial role in understanding uncertainty, complexity as well as dependence upon resources for survival. For this reason, variations in the external environment necessitate the need for adaptive change. In fact, Pfeffer and Salancik (1978:3) rightly point out that, "what happens in an organisation is not only a function of the organisation, its structure, its leadership, its procedures, or its goals. What happens is also a consequence of the environment and the particular contingencies and constraints deriving from that environment".

In the strategic management and organisational literature, the environment refers to the social and physical conditions outside the organisation that shape and influence decision-making processes (Duncan, 1972; Miles and Snow, 2003). Organisational environment consists of the general and the task environment (Thompson, 1967). Task environment refers to the elements in which the organisation has direct contacts. In the case of NGOs, their task environment includes donors, intended beneficiaries, peer NGOs and regulatory bodies. The general environment on the other hand, refers to factors that affect organisations indirectly. These include the political, socio-cultural, demographic trends and economic conditions within which organisations operate (Thompson, 1967). In understanding the influence of environment on NGOs, the work of De Graff (1987) in Zimbabwe offers some useful insights. He developed a typology for understanding the impact of external environment on NGOs. The first part is the managed environment where NGOs have exclusive control. This includes staffing, budgeting and organisational planning and structure. The second is the influenced environment where NGOs can alter the environment through persuasion, lobbying, co-optation, patronage and exchange. The third is the appreciated environment where conditions are unchangeable irrespective of what NGOs do. This environment exists independent of NGOs' control and influence and it includes macroeconomic systems, international dimensions and prevailing market systems.

The environment has a huge influence on organisations because it determines the types of resources that can be mobilised. For NGOs, they mobilise and depend on tangible and intangible resources for their survival. A classic example is the work of Bryant (2005) on how environmental NGOs in the Philippines mobilised tangible and intangible resources to ensure their survival. He maintains that the generation of moral capital is a key strategic resource for building NGOs' legitimacy because it helps

them to shape actors' impression. In a similar vein, Clark (2000) claims that organisations mobilise two main intangible resources namely reputation and capabilities. Reputation is concerned with the identity and branding of the organisation while capabilities refer to what the organisation 'can do' at any given time taking into consideration its human resources. Mitchell and Stroup (2017) argue that NGOs' reputation is a crucial tool for constructing authority and relationships. They further claim that reputation determines the ability of NGOs to influence policy outcomes. In this regard, building reputation is a critical resource for creating legitimacy and trust within a resource-scarce environment. However, the existing literature has given scant attention to NGOs' reputation in terms of branding and visibility with the exception of a few (Bryant, 2005; Copestake, 2013; Pallas, 2017). I acknowledge the distinction between organisational legitimacy and reputation although they tend to have similarities in terms of their socially constructed nature and resource acquisition potentials for organisations. In this research, an NGO's reputation is understood in terms of its visibility, attributes and favourability that allows for comparison with other organisations (Deephouse and Carter, 2005; Lange et al., 2011; Mitchell and Stroup, 2017).

Organisation-environment research has focused on two important aspects: i) environmental uncertainty; and ii) environment as stocks of resources (Jogarathnam and Wong, 2009). Uncertainty refers to the gap between information required to perform a task and what has already been achieved or obtained. It exists in three dimensions namely state, effect and response uncertainty (see Milliken, 1987 for details). Uncertainty creates difficulty in predicting event outcomes because organisations deal with factors that are constantly changing due to environmental dynamism (Pfeffer and Salancik, 1978). This creates vulnerability for organisations dependent on the environment for resources as they are compelled to constantly alter their activities in response to environmental conditions. In the case of NGOs, changing donor priorities creates environmental uncertainty in the sense that they are unable to plan strategically and implement their programmes. Environmental uncertainty arising from changing and unreliable donor support influences the behaviour of NGOs (AbouAssi, 2013). Failure to properly perceive and interpret changes in the environment has dire consequences on organisational performance. This is because organisational environments are "created through a process of attention and interpretation" resulting in an interactive relationship between an organisation and its environment (Pfeffer and Salancik, 1978:13).

Measuring environmental uncertainty is a daunting task because of different interpretations and measurements (see for example, Buchko, 1994). Environmental uncertainty focuses on the role of managerial perception and interpretation of their environment and its influence on adaptation and response strategies (Raaijmakers et al., 2015). To this end, organisations respond to things they perceive in their environment (Milliken, 1987). According to Pfeffer and Salancik (1978), uncertainty facilitates actions and choices by management based on how they perceive their external environment. Managerial cognition plays a critical role in understanding organisational behaviour. This involves processing of information through environmental scanning in order to develop strategies for responding to uncertainty (Hambrick, 1982).

### **2.3 Donor-NGO relations: The rise of partnership and dependency**

In this section, I discuss the literature on donor-NGO relations. In doing so, I frame the discussion from three perspectives namely market competition, partnership and hierarchical coordination.

Pfeffer and Salancik (1978) highlight that organisations are embedded in a network of interdependencies because of resource needs. A typical example is the resource interdependence between donors and NGOs (Ebrahim, 2005). To ensure their survival, donors and NGOs have to coordinate and make use of the resources at their disposal. As Ebrahim (2003:60) points out, interdependence is associated with exchanges rather than a unidirectional flow. Donors constitute an important component of NGOs' task environment for resource provision. Due to their interdependent relationship, donors depend on



NGDOs for results to demonstrate to their funders that their monies have been put to good use which legitimatises their claim for more money.

For this reason, the goals of development are traded in the ‘global aid market place’ where NGDOs (i.e. producers) manufacture projects and sell to donors (consumers) and vice versa. A classic example of this analogy is provided by Krause (2014:40-41) who suggests that in humanitarian relief assistance, intended beneficiaries and projects constitute important ‘commodities’ traded to donors in a quasi-market. In the case of intended beneficiaries, she demonstrates that some are easier to produce, package and sell to donors than others which results in serious competition among humanitarian NGDOs for donors. In the case of donors, they manufacture their projects and require the services of NGDOs as contractors and sub-contractors for implementation. This is done through competitive tendering process. Donor funding chain involves a long list of organisations that ensures that aid money trickles down from INGDOs → NNGDOs → CBOs. This has resulted in the proliferation of grantee and sub-grantee relationships within NGDOs’ funding environment. The brokering and translating role of NGDOs help in tracing and understanding the wider flow of resources within the aid chain (Lewis and Mosse, 2006).

Another view of donor-NGDO relationship is framed around partnership. Interdependencies result in the formation of inter-organisational relationships. In this case, donor-NGDO relationships are framed normatively as ‘partnership’ making it one of the buzzwords pervading development lexicon. As Fowler (2000b:3) highlights, partnership has become a cornerstone of the new aid agenda and is premised on three key assumptions: i) partnership as social contract between the state and society; ii) as a remedy for the failure of aid by co-opting alternative notions of development; and iii) as a vehicle for foreign penetration. This understanding of partnership helps in unmasking the complexity in relationships in terms of dependency, power imbalance and the underlying motives of individual stakeholders (Crawford, 2003).

Partnership between NGDOs and donors within the ecosystem of aid is framed on value-based assumptions such as mutual trust, shared goals, balance of power, influence and reciprocity and has led to claims that it promotes synergy between stakeholders (Lister, 2000). Elbers and Schulpen (2013) identified three key importance of partnership in the NGDO literature. First, an assumption that equality in relation promotes ownership of development projects. Second, partnership as a tool for claiming legitimacy. Third, partnership is intrinsic in NGDOs’ value and identity. Partnership has therefore become the relational mode of thinking between the state, civil society and the market. This, it is believed, ensures the success of development projects based on its efficiency and results. However, in reality, it is unequal caused in part by the dependence of NGDOs on contract-based partnerships with donors which creates difficulty in maintaining authentic partnerships (Elbers and Schulpen, 2011). While partnership remains an ambiguous concept (Brinkerhoff, 2002), the dominant understanding is one of patron-client relationships involving for example, donors and NGDOs.

The relationship between donors and NGDOs is volatile caused in part by changing funding environment. This includes increasing participation of corporate organisations in development where projects are outsourced to private organisations who work behind-the-scenes as contractors and consultants (Copestake, 2013). The goals pursued by donors and their funding priorities are constantly changing within NGDOs’ operating environment. This directly influences their roles and access to resources. For example, in recent years, many bilateral and multilateral donors are engaged in multi-donor pooled funds as the mechanism for supporting CSOs including NGDOs (Huyse and De Bruyn, 2015). Moreover, as part of the increasing emphasis on the promotion of business-like norms through development management and in response to political attacks on their efficiency, many donors have become obsessed with funding mechanisms such as results-based management and value-for-money (Natsios, 2010; Eyben, 2013; ODI, 2017).

This is informed by demand on donors by their ‘principals’ (i.e. politicians and taxpayers) to achieve their goals with minimal transaction costs while ensuring transparency, accountability, efficiency and effectiveness. By doing so, donors are able to demonstrate to their principals that ‘aid works’ and are able to bring about change in the lives of their imagined beneficiaries (Wallace et al., 2006). However, the challenges of evidence generation such as attribution and politics have been documented in the literature (Copestake, 2014). The infiltration of “obsessive measurement disorder” caused in part by managerial logic among donors has negative effects on NGOs and development in general as it stifles organisational learning (Natsios, 2010:3).

Since donors wield enormous political power, they are able to control the flow of resources and use their power to further their own national and political interests (Barman, 2008; Mawdsley, 2017; Gulrajani, 2017). Donor interests are crucial to the discussion of NGOs’ funding. The mainstream literature highlights that the need for resources compels NGOs to align with donor interests. They adjust their relationships with donors to guard against resource instability and resultant effect of organisational disbanding (Chahim and Prakash, 2014). Nonetheless, this has detrimental effects on NGOs which makes them to ‘follow the money’ rather than their stated goals and objectives especially in a resource-scarce environment. For instance, Koch et al. (2009) claim that German INGOs followed the location preference of ‘backdonors’ because of funding. Similarly, Fruttero and Gauri (2005) in their study of NGOs in Bangladesh maintained that they used their access to funding as a determinant for geographic reach rather than the levels of poverty in intended beneficiary communities. The need for minimising risk indirectly affected their ability to reach neediest communities.

The existing literature on NGOs gives more weight to their resource dependency rather than the interrelationships between agency and dependency (e.g. Reith, 2010; Banks et al., 2015). It is often assumed that NGOs are at the mercies of donors as depicted in the African proverb “if you have your hand in another man’s pocket, you must move when he moves” (Van Der Heijden, 1987:106). Similarly, AbouAssi (2013:584) claims that NGOs’ ‘hands are in the pockets of mercurial donors’ and presents a bleak account of their agency and autonomy. In doing so, they over-emphasise NGOs’ dependency status rather than room for manoeuvre in their relationships with donors. This stems from their normative understanding of NGO-donor relationship that focuses on their resource dependency. It fails to explore the everyday practices and NGOs’ awareness of the politics they have to grapple with in their wider external environment. In addition, it neglects discussion of NGOs internal decision-making processes within their wider external environment which often determines the extent of their agency. They tend to focus on the structural constraints mainly because of NGOs’ dependence on donor resources. In what follows, I discuss the issue of NGOs’ agency.

#### **2.4. Agency in NGOs’ environment**

Agency broadly refers to an individual’s capacity to act independently or without being coerced, including by institutional pressures (Giddens, 1984; Long, 2001). Thus, actors have capacities and motivations to act and behave autonomously of their circumstances. For Giddens (1984:9), “agency refers not to the intentions people have in doing things but to their capability of doing those things in the first place.....Agency concerns events of which an individual is the perpetrator, in the sense that the individual could, at any phase in a given sequence of conduct, have acted differently”. Agents act and work through organisations in terms of decision-making processes because of their ‘knowledgeability and capability’ (Giddens, 1984:3-14). Agency helps in understanding NGO-environment relationships in terms of decision-making processes and relationships with other actors. Conceptually, agency is relational and exercised through a network of social relations. In developing his actor-oriented approach to agency, Long (2001) acknowledged how external environment constrains agency which gives way to multiple realities and interpretation.

While the existing NGDO literature is inclined towards their resource dependency, there are a few exceptions of studies in the anthropology and human geography literature that have explicitly explored NGDOs' room for manoeuvre. However, they also focused on specific issues such as legitimacy, relationship with government and donors without looking at the wide range of strategies available to NGDOs when confronted with uncertainty especially in countries that have recently graduated into lower-middle-income status (e.g. Bryant, 2005; Elbers and Arts, 2011; Mitchell, 2014). For instance, Bryant's (2005) study on NGDOs in the Philippines focused on their generation of moral capital as a legitimisation strategy. Mitchell (2014) also focused on how transnational NGDOs in the United States responded to resource dependence. NGDOs have the flexibility to exercise discretion in subverting structural constraints by demonstrating their strategic agility. NGDOs as strategic actors respond to uncertainty caused by structural barriers including dependency through human actions and consciousness (Long, 2001:13). As Cooney (2007:689) argues, organisations are able to "negotiate the rules they act within constantly" suggesting that "inherent in any structural constraint are the tools for liberation". This helps NGDOs to "steer or muddle their way through difficult scenarios, turning 'bad' into 'less bad' circumstances" which represents their room for manoeuvre (Long, 2001:14).

## **2.5 Conclusion**

This chapter has reviewed the literature on NGDOs and their operating environment. Despite criticisms, it has highlighted that NGDOs continue to play an important role in development. The review has highlighted that much of the literature is inclined to emphasise NGDOs' dependency in a resource-constrained environment to the neglect of their ability to exercise autonomous agency. In the next chapter, I step back from the mainstream NGDO literature by selecting and reviewing key theories and concepts about organisational dependency and agency. My aim in doing so is to set out frameworks able to accommodate a wider range of possible arguments to be developed about NGDOs' dependency and agency.

## **Chapter Three: Theoretical frameworks for understanding NGOs' dependency and agency**

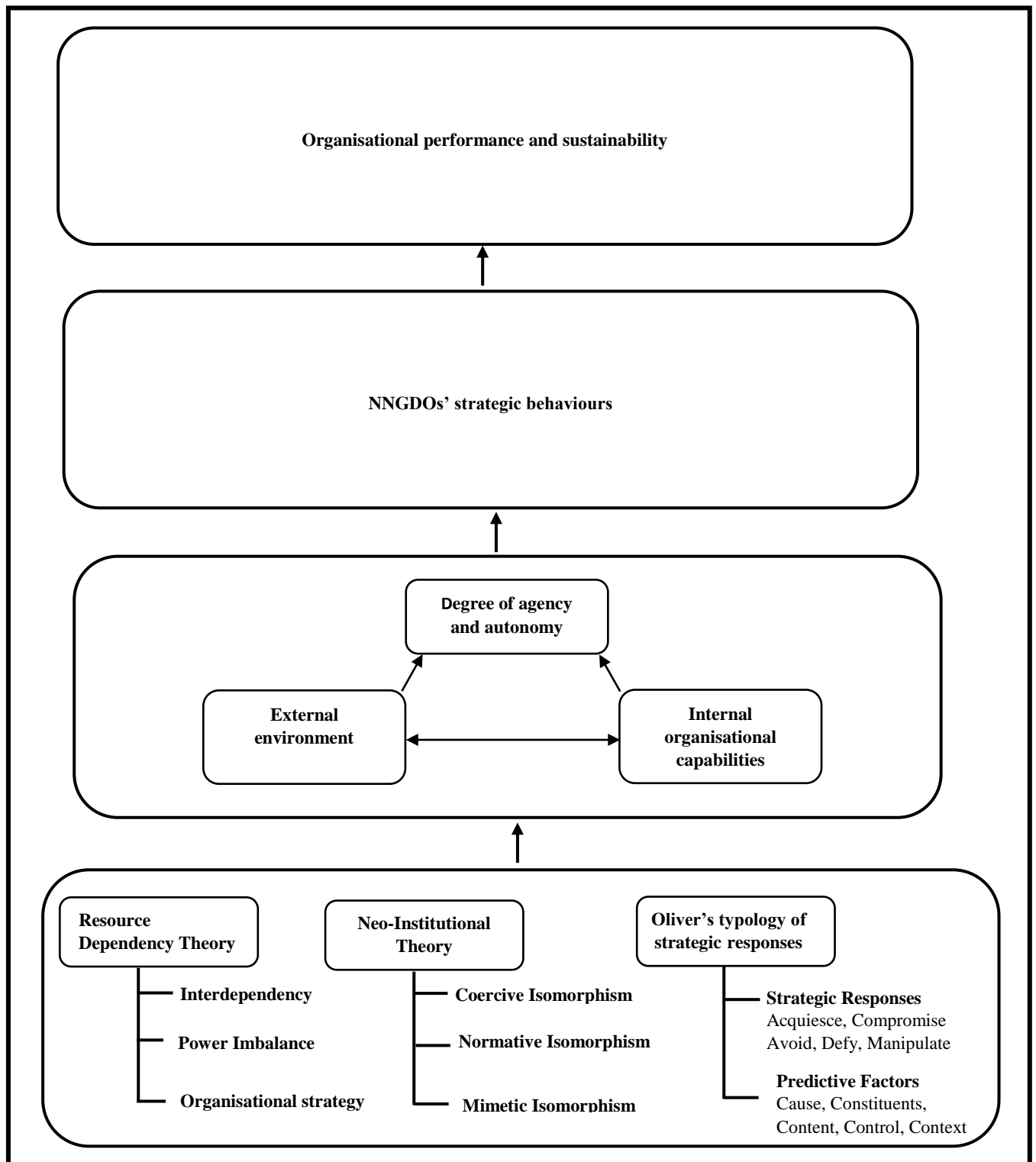
### **3.0 Introduction**

This chapter presents the theoretical frameworks used to guide this research. The choice of frameworks is informed by the review of the literature discussed in chapter two. In particular, I draw on Resource Dependency Theory (RDT) (Pfeffer and Salancik, 1978, 2003), Neo-Institutional Theory (NIT) (i.e. new institutional sociology) (DiMaggio and Powell, 1983; DiMaggio and Powell, 1991) and Oliver's typology of strategic responses to institutional pressures (Oliver, 1991) (Figure 3.1). My aim is to step back from the mainstream NGO literature in order to select and review key theories that are broad enough to account for different explanations about NNGDOs' agency and dependency. My goal is to create an integrated framework that allows for a wider range of possible arguments to be developed from my empirical findings. I use the theories as the analytical lens for analysing and explaining my empirical findings in chapter eight.

I have been selective in the choice of theories. The rationale for drawing on RDT is that it provides a set of analytical tools for examining NNGDOs' dependency and the use of power in the control of critical resources in their operating environment. By doing so, RDT is useful for understanding how resources and power are distributed and contested in NNGDOs' environment. NNGDOs' dependence on their external environment for resources provides a useful starting point for then drawing on NIT, particularly, the concept of isomorphism for understanding how they seek approval through conformance to institutional pressures (DiMaggio and Powell, 1983). NIT complements RDT by adding a theory of institutional control to "focus on those aspects of a field which regulates behaviour on an on-going basis, and set the rules of the game" (Lawrence, 2008:175). However, while NIT provides useful insights into institutional control, it focuses on stability and conformity to institutional pressures rather than providing an explanation for organisational change and agency. By doing so, NIT fails to address issues of strategic choice, power, agency and interest within NNGDOs. Organisational actors through their interest and agency employ a repertoire of strategies in managing institutional pressures (Oliver, 1991).

In understanding how organisations respond to institutional pressures, I draw insights from Oliver's (1991) typology of strategic responses rather than replicating it as the underlying framework for this research. This is because given my critical realist ontology (see chapter four), it would have been too mechanical to design my data collection tools solely around the category of strategies outlined by Oliver. My aim in doing so was not just to make this research confirmatory but also more exploratory. For this reason, I make modifications to Oliver's typology because I think it fails to capture the broad range of issues raised in this research and strategies employed by NNGDOs. I find Oliver's typology too simplistic because of its narrow focus on institutional processes, to the neglect of both internal (e.g. organisational leadership and culture) and external factors (e.g. socio-political environment). In addition, her typology is framed around one spectrum of agency (active versus passive) and fails to reveal the complexity associated with NNGDOs' strategic responses. In view of this, I build on Oliver's typology by extending it. I argue that this modified typology offers a better conceptual understanding of NNGDOs' strategic responses within a wider ecosystem.

The chapter is organised into four sections. Section 3.1 discusses RDT in order to understand how NNGDOs obtain critical resources in their external environment. I also highlight organisational strategies for managing resource dependence and the criticisms of RDT. Section 3.2 discusses NIT with particular emphasis to the concept of isomorphism to illustrate the institutional pressures placed on NNGDOs by their external environment. In section 3.3, I discuss Oliver's typology of strategic responses to institutional pressures. The last section concludes.



**Figure 3.1:** Theoretical frameworks.

Source: Author's construct.

### 3.1 Resource dependency theory

In their ground breaking work on the importance of environment for organisations, Pfeffer and Salancik (1978, 2003: xii) proposed that organisations are dependent on their external environment for resources to ensure their survival because they are “embedded in a network of interdependencies and social relationships”. They argue that to better understand the behaviour of an organisation, it is first necessary to understand its interactions with the external environment which is made up of actors responsible for regulating interactions. External environmental pressures influence internal organisational decisions and strategies. For this reason, the need for resources amidst scarcity creates dependency and uncertainty.

RDT is a useful framework for understanding organisation-environment relationships because it synthesises the gap between organisational change and power dimension associated with inter-organisational relations and dependence (Hillman et al., 2009). RDT is underpinned by three core ideas: i) external environment or social context matters; ii) power is important in explaining organisational behaviour; and iii) organisations employ strategies in enhancing their autonomy and interest. From an RDT perspective, inter-organisational relationship is a mechanism for managing interdependence and uncertainty in the external environment. However, organisations are not very autonomous and are constrained by their environment because of resource needs. This makes actors who control resources to exert much power over them. Resource control is a reflection of the distribution and use of power in inter-organisational relationships. For this reason, RDT positions power at the peak of organisational discussion because of its role in controlling critical resources (Pfeffer and Salancik, 2003).

Exertion of control is greater when dependence on critical resources is high. RDT highlights discussion of power imbalances associated with exchange relations between social actors and organisations. Pfeffer and Salancik (2003:51) stated that dependence is “the product of the importance of a given input or output to the organisation and the extent to which it is controlled by relatively few organisations”. Dependence arises because organisations are not self-sufficient which makes avoidance of external constraints and control an impossibility. Resource dependence creates conflicting demands between interdependent organisations which makes them to prioritise and satisfy actors whose demands are salient and answerable. Pfeffer and Salancik (2003:44) suggest that compliance with conflicting demands is influenced by the following conditions:

1. The focal organisation is aware of the external demands
2. The focal organisation obtains resources from the social actor making the demands
3. The focal organisation is in critical need of the resource
4. The social actor controls the resource in terms of allocation and access and it is impossible to find substitutes
5. The focal organisation does not control critical resources for social actors
6. The actions of the focal organisation is visible, accessible and can be judged by social actors
7. The focal organisation can satisfy multiple social actors’ demands
8. The demands of social actors are not determined, formulated or expressed by the focal organisation
9. The focal organisation is capable of developing actions to meet social actors’ demands
10. The desire of the focal organisation is survival.

They further argue that external control is higher when more of the above conditions are met and therefore social actors are able to alter such conditions to exert much influence over organisations. Although organisations are dependent on external actors for resource, the degree of dependence according to Pfeffer and Salancik (2003:46-51) is influenced by:

1. *Resource importance* determined by the relative magnitude of the exchange and criticality of the input or output. Criticality relates to the ability of an organisation to perform its functions in the absence of a resource. In order to survive, organisations have to secure large quantities of critical resources. However, such resources vary with changing environmental conditions.

2. *Actors' discretion over resource allocation and use.* Resource discretion gives actors power in times of scarcity and may occur through resource possession, access to, actual use and control of resource usage in addition to ability to regulate resource possession, allocation and usage.
3. *Concentration of resource control.* This relates to the ability of an organisation to find alternative resources. However, access is restricted by rules and regulations. Resource concentration is caused by monopoly and collective organisations. An organisation becomes less dependent on a resource when it can find alternative source while those with little alternative behold on to their resource providers creating a situation known as 'dependency trap'. This decreases the organisation's power and autonomy.

Dependency creates power when there are asymmetries in exchange relations. Organisations that control critical resources tend to call the shots and “wield the *longer* [emphasis] end of the power stick” (Elbers and Arts, 2011:175). The power imbalances in interdependency apply directly to donor-NGDO relationships (Section 2.3). Although RDT highlights power-asymmetry, the critical function of an organisation is to manage its dependencies by developing strategies to ensure resource stability. According to Pfeffer and Salancik (2003), the need for stability makes organisational leaders behave as rational actors seeking to maximise their interests and objectives. For this reason, they employ strategies aimed at influencing their demands and flow of resources in order to maintain their autonomy. In what follows, I discuss strategies for managing resource dependence.

### **3.1.1 Strategies for managing resource dependence**

In managing dependence on critical resources, Pfeffer and Salancik (2003) argue that organisations employ adaptation and avoidance strategies aimed at absorbing, diffusing and co-opting external constraints in order to manipulate the environment. However, the success of these strategies depends on an organisation's awareness of its external demands. According to Pfeffer and Salancik (2003), problem of conflicting demands are solved through sequential attention where one set of demand is attended to at a time rather than meeting all the demands simultaneously. This allows organisations enough time to seek alternative resources. In addition, broad symbolic strategies such as non-disclosure and restriction of information, putting blame on others and shaping the perception of external actors are used. These strategies are useful when dealing with less powerful actors. However, for powerful actors controlling resources, organisations manage their interdependence by: i) adapting and changing to meet environmental demands; and ii) manipulating the external environment to become adaptable.

Specific adaptation strategies include compliance with the demands of resource providers. Compliance involves the loss of discretion and autonomy because organisations are subjected to multiple external influences which threaten their long-term survival. Compliance with demands gives actors room for making further requests based on their experience of previous acceptance. However, organisations influence the demands of resource actors when they perceive that they have a greater chance of success. Organisations balance conflicting demands to safeguard autonomy while buffering is used against potential resource instability (Pfeffer and Salancik, 2003). However, buffering exposes organisations to vulnerability because of their inability to control exchange relations. A more pragmatic strategy is “substitutable exchange and diversification” (Pfeffer and Salancik, 2003:109). Diversification addresses the challenge of resource concentration and increases agency, influence and decision-making autonomy (Froelich, 1999). For example, revenue diversification is known to reduce financial volatility and vulnerability through the spreading of risk which in turn increases survival prospects (Carroll and Stater, 2009; Mayer et al., 2014; Khieng and Dahles, 2015). However, findings from other studies on the relationship between revenue diversification and financial volatility has produced inclusive results (Frumkin and Keatings, 2011; Despard et al., 2017).

Another strategy for managing dependent relationship is through mergers and acquisitions. This helps organisations in gaining control over their external environment. Mergers exist in vertical, horizontal and conglomerate forms. Horizontal mergers reduce competition and uncertainty through the acquisition of competitors while vertical mergers prevent dependency and control (Pfeffer and Salancik, 2003:114). Organisations could also manage their dependence by bridging ties or forming strategic alliances and inter-organisational relationships in order to manipulate the operating environment. However, inter-organisational relationships serve as partial absorption mechanism for managing uncertainty. A more risky strategy to manage dependence is co-option and interlocking directorates. According to Pfeffer and Salancik (2003), co-option and other forms of collective action provide an organisation easy access to information and legitimacy. However, it leads to loss of organisational autonomy. Organisations could also change their environment through political actions. This involves altering government regulations through political means to further their interest. Having discussed the strategies used by organisations for managing their resource dependence, the next section focuses on the criticisms against RDT.

### **3.1.2 Criticisms of RDT**

RDT has been criticised at great length on both empirical and conceptual grounds (see Casciaro and Piskorski, 2005; Davis and Cobb, 2010). Empirical findings on the formation of inter-organisational relationships resulting from resource dependence have produced inconsistent results (Hillman et al., 2009; Drees and Heugens, 2013). Conceptually, some authors have considered RDT as an ‘appealing metaphor’ because of its lack of application for explaining empirical findings (Casciaro and Piskorski, 2005). For instance Casciaro and Piskorski (2005:168-169) identified four ambiguities associated with RDT. First, is the lack of distinction between power imbalance and mutual dependence. Second, normative prescriptions are confounded with predictions. Third, scope conditions of RDT are ambiguous. Finally, although resource dependence is two-way, empirical research focuses more on dependence of one actors rather than reciprocal interdependencies. To this end, the authors suggest that focusing on power imbalance and mutual dependence would provide a useful account of power and dependence in a dyadic relationship. The above criticisms were iterated by Pfeffer and Salancik (2003: xvi) when they lamented that RDT has become a “‘metaphorical statement about organizations”’ because “‘there is a limited amount of empirical work explicitly extending and testing resource dependence theory and its central tenets”’.

In the NGDO literature, there is relatively little criticism of RDT as the theoretical basis for research. The focus of NGDO studies that drew insights from RDT has been on high-power actors such as donors and their control (e.g. Hudock, 1995; Ebrahim, 2005; Elbers and Schulpen, 2011; AbouAssi, 2013). These studies present a normative understanding of RDT and ignore how low-power actors employ strategies to mitigate resource dependence. Therefore focusing on both high-power and low-power actors from an RDT perspective will offer a better understanding of how NGDOs are negotiating their complex environment. In the next chapter, I draw on NIT as another theory informing this study. The rationale is to understand how resource dependency results in conformance to institutionalised norms and values within NGDOs’ operating environment. This in turn influence and shape their behaviour.



### 3.2 Institutions and Isomorphism

Defining institutions is daunting because of its different meanings (see North, 1990; Hall and Taylor, 1996; Schmidt, 2010)<sup>3</sup>. Institutions broadly refer to rules, norms and beliefs that exist independent of organisations which seek to regulate social behaviour. Scott (1995:33) argues that institutions “‘consist of cognitive, normative, and regulative structures and activities that provide stability and meaning to social behaviour’”. Regulative elements of institutions work through coercion with rules, laws and sanctions as indicators. The normative elements focus on acceptance to values and norms that impose constraints but also enable social actors. They determine appropriate behaviour for social actors based on moral and obligatory dimensions. Normative institutions exert influence on organisations and individuals because compliance with values and norms is considered a social obligation. Lastly, the cognitive pillar focuses on subjectively constructed rules. Symbols and meanings play important roles because they constitute the medium through which social actors make sense of and interpret their world. Social actors’ behaviour is guided by shared meanings and frames which creates difficulty for individuals to drift away (Garud et al., 2007).

#### 3.2.1 Institutional Isomorphism

Neo-institutional theory has become one of the fundamental theories for understanding organisational behaviour (Greenwood et al., 2008). For Dacin (1997:48), institutional framework focuses on: i) institutional environment and organisational relationships; ii) how social expectation affects organisations; and iii) how such expectation is reflected in organisational characteristics. Since organisations operate in institutional context, they are susceptible to influence by internal and external pressures. Organisations conform to socially legitimated elements including rules and norms in seeking legitimacy because non-compliance is subject to punitive measures (Meyer and Rowan, 1977). For this reason, institutional pressures play a crucial role in understanding organisational behaviour and strategic action because they seek to engage in practices considered as legitimate by stakeholders. This prevents their actions from being questioned (Suchman, 1995; DiMaggio and Powell, 1983). Conformance to institutional pressures results in homogeneity in organisational structure, culture and output because of the transmission of social facts. These become institutionalised and serve as templates for organising behaviour within particular organisational fields in periods of uncertainty. Institutionalisation ensures that organisations internalise norms and values based on societal expectations of acceptable actions (DiMaggio and Powell, 1983).

Homogenisation in organisational fields occurs through *isomorphism* (i.e. where an organisation adopts or models the characteristics of dominant organisational forms). DiMaggio and Powell (1983:149) argue that diversity in organisational forms is a reflection of environmental variation. For this reason, when organisations face similar environmental constraints, they tend to copy one another. Over time, they become similar to each other and their operating environment because decision makers are able to learn appropriate strategies by adjusting their behaviour in response to environmental changes. Emerging and existing organisations adopt socially legitimated elements to be similar to their operating environment because institutional pressures affect manager’s cognitive interpretations and organisational resource flows (Dacin, 1997).

According to DiMaggio and Powell (1983), institutional isomorphism focuses on the influence of societal and cultural expectations on organisations. These become templates for shaping organisational behaviour. They in turn create homogenous organisations based on their ability to motivate

---

<sup>3</sup> For instance, Hall and Taylor (1996) proposed three schools of thought to institutional analysis: historical institutionalism, rational choice institutionalism and sociological institutionalism as a way of addressing the ambiguities associated with new institutionalism. Schmidt (2010) also introduced discursive institutionalism as an addition to the existing forms of institutionalism

organisations in adopting perceived socially acceptable practices. However, Dacin (1997) argues that the influence of these societal and cultural expectations on organisations change depending on time, level of analysis and interplay with other sources of expectation. DiMaggio and Powell (1983) identified three drivers of institutional isomorphism that exists in organisational structures, processes and decision-making. These are: i) coercive isomorphism; ii) normative isomorphism; and iii) mimetic isomorphism. They suggest that these pressures have no distinct boundaries empirically because they intermingle with each other.

### **Coercive Isomorphism**

Coercive isomorphism comes from political influence and the need for legitimacy. It occurs when superior organisations impose changes on subordinate organisations in their institutional environment. Resource providers exert informal and formal pressures on organisations to conform to certain patterns of behaviours because of their dependence. Coercive isomorphism is concerned with direct imposition of force, persuasion and invitation from a superior to a subordinate organisation to join in collusion. According to DiMaggio and Powell (1983), coercive isomorphism stems from legal and technical regulations from governments and social partners within an institutional environment. Another coercive mechanism employed by state agencies is in defining the structures of organisations through enforcement mechanisms such as codes of conduct. The exertion of coercive isomorphic pressures increases when dependence on a critical resource provider is high (Pfeffer and Salancik, 2003). I believe that given NNGDOs' dependence on donor resources and the role played by government's agencies in regulating the activities of NNGDOs, the concept of coercive isomorphism is applicable to this research in understanding NNGDOs' relationships with donors and government agencies.

### **Normative Isomorphism**

Normative isomorphism is concerned with professionalisation of organisations within institutional fields. It arises when professional associations impose homogenous norms and values on organisations with the aim of ensuring that their operations meet certain standards. These institutionalised norms and values about appropriate organisational behaviour are taken-for-granted and serve as prescriptions for organising actions. Professional associations garner support and power from their members and government regulatory agencies in enforcing these shared understandings (Greenwood et al., 2002). Two important aspects of professionalisation driving normative isomorphism are formal education and the rise of professional networks (DiMaggio and Powell, 1983). This happens through filtering of personnel in the recruitment process for organisations based on criteria including educational qualification. In this regard, professional networks derive much of their organisational norms from universities and training institutes that serve as 'norms development centres' (DiMaggio and Powell, 1991). Professional associations play important roles in legitimising change within organisational fields through the endorsement and diffusion of innovations. Their expertise and advice promote normative pressures within institutional fields (Greenwood et al., 2002).

### **Mimetic Isomorphism**

Mimetic isomorphic processes occur in times of uncertainty. Organisations scan their environment and look out for perceived successful and legitimate ones to model themselves around. By doing so, they sought to learn from other organisations in addressing their organisational inefficiencies such as goal ambiguity and symbolic uncertainty (DiMaggio and Powell, 1983:151). Since uncertainty drives isomorphic processes, the desire to imitate perceived successful organisations stems from pressures within institutional fields. By adopting successful models, organisations are able to build their legitimacy quickly without necessarily having to develop their own from the scratch. This saves time, costs and reduces the uncertainty associated with developing new models for coping with changing environments. New ideas would have to be justified by aligning them with the prevailing normative prescriptions. For this reason, organisations avoid developing them and rather mimic others because of

the anticipation of getting similar rewards (Greenwood et al., 2002). Having discussed the key concepts of isomorphism, the next section outlines some limitations of NIT in understanding organisational behaviour.

### 3.2.2 Criticisms of neo-institutional theory

From an institutional theory perspective, the discussion of isomorphism provides useful insights into the role of institutions as power drivers and shapers of uncertainty within organisations. However, institutions and their influence are bound to changes through deinstitutionalisation (Oliver, 1992; Dacin et al., 2002). A limitation of NIT is that it focuses on stability and conformance to institutionalised norms rather than providing explanation of organisational change and the role of agency within organisations (Seo and Creed, 2002). As Beckert (1999:777) points out, a major problem associated with earlier neo-institutional theory is its inability to address questions of interest-driven behaviour and institutional change. By doing so, he stressed on the role of strategic choice and agency in the management of organisations.

The issue of power, agency, interest and change have been largely neglected by mainstream new institutionalist scholars who tend to focus on mimetic processes to conformity and continuity to institutional pressures (DiMaggio and Powell, 1983; DiMaggio and Powell, 1991). Moreover, institutional theory tends to focus on macro-level analysis to the neglect of micro-level issues at play within organisations. For this reason, it fails to explain how change occurs within organisations because of its narrow focus on institutional stability. However, some commentators have shown the important roles of actors' agency in shaping and changing institutionalised pressures (Oliver, 1991; Seo and Creed, 2002; Garud et al., 2007). For this reason, Oliver's (1991) typology of strategic responses provides a useful theoretical framework for addressing the weakness of institutional theory in terms of organisational agency.

### 3.3 Strategic responses for managing institutional processes

Another theoretical framework underpinning this research is strategic responses developed by Oliver (1991) which seeks to understand organisational responses to institutional pressures. In developing her framework, Oliver maintains that when organisations are confronted with institutional pressures, they employ five main strategies and fifteen behavioural tactics. These strategies and tactics vary from passive conformity to active resistance based on the level of organisational dependence on institutional resources, actors' power and roles and social expectation of their actions. Oliver identified the main strategies as *acquiesce*, *compromise*, *avoid*, *defy* and *manipulate* (Oliver, 1991:151) (Table 3.1).

*Acquiesce* is concerned with organisational conformance to institutional demands to enhance their legitimacy. By doing so, they oblige to institutional demands without resistance. Acquiescence is exhibited through habit, imitate and compliance tactics. *Habit* refers to unconscious adherence to socially ingrained norms, values and beliefs. These taken-for-granted rules and values have become part and parcel of the daily organisational culture, practices and routines. They could be considered as habitual organisational ways of thinking. *Imitate* on the other hand, occurs when organisations consciously or unconsciously replicate other existing institutional and organisational 'best practices'. Imitation is employed in periods of uncertainty where organisations seek 'expert advice' from other perceived successful organisations. It is driven by perceived rewards and prevailing institutional logics within a particular organisational field (Greenwood et al., 2002). *Compliance* is about the deliberate and strategic choice often motivated by organisational self-interest in conformance to institutional pressures. Among the acquiescence tactics, compliance represents the greatest exertion of agency in decision-making processes informed by perceived benefits such as gaining legitimacy, increase stability and prevent scrutiny by stakeholders (Oliver, 1991:153).

The second strategic response is *compromise* which is applied in times of conflicting institutional demands. By compromise, organisations balance the expectation of multiple stakeholders by partially complying with unavoidable institutional demands. Compromise represents an active response relative to acquiesce. Specific compromise tactics are balancing, pacifying and bargaining. *Balancing* is employed in meeting the needs and expectations of multiple stakeholders. By doing so, organisations strike a suitable balance between their interest and competing institutional demands. Balancing is useful when organisations are dependent on and accountable to multiple constituents. *Pacifying* is used in appeasing stakeholders through partial conformity to institutional pressures. This helps organisations to meet basic requirements or minimum standards but also resist institutional pressures. *Bargaining* represents an active exertion of agency than all other compromise tactics as it involves constant negotiation processes and concessions by organisations in fulfilling their interest. The aim of compromise is to achieve the best possible outcome by weighing the pros and cons of meeting multiple institutional demands (Shapiro and Matson, 2008).

**Table 3.1:** A five-part typology of organisational responses to institutional pressures

Strategies	Tactics	Examples
Acquiesce	Habit	Following invisible, taken-for-granted norms
	Imitate	Mimicking institutional models
	Comply	Obedying rules and accepting norms
Compromise	Balance	Balancing the expectation of multiple constituents
	Pacify	Placating and accommodating institutional environment
	Bargain	Negotiating with institutional stakeholders
Avoid	Conceal	Disguising nonconformity
	Buffer	Loosening institutional attachments
	Escape	Changing goals, activities or domains
Defy	Dismiss	Ignoring explicit norms and values
	Challenge	Contesting rules and requirements
	Attack	Assaulting the source of institutional pressure
Manipulate	Co-opt	Importing influential constituents
	Influence	Shaping values and criteria
	Control	Dominating institutional constituents and processes

Source: Oliver, 1991:152

The third strategy is *avoidance* concerned with the ways by which organisations try to prevent the imposition of institutional pressures. By doing so, they ignore conformance to external pressures that threaten organisational autonomy. Avoidance is an active strategy than compromise and acquiesce. This prevents organisations from public scrutiny and inspection. Non-compliance occurs through *concealment* where deliberate pretence becomes a mechanism. Organisations pretend to comply superficially with institutional pressures. Concealment is distinguishable from compliance based on genuineness of interest (Oliver, 1991). Another avoidance tactic is *buffering* where organisations protect themselves from being scrutinised and evaluated by decoupling daily activities from formal structures. However, buffering might be a misguided tactic when organisations depend on the public for support and legitimacy. In such case, a more proactive tactic is *escape* where organisations abandon their domain altogether or remodel their goals and programmes to avoid conformance to institutional pressures. Escape involves breaking relationships within a particular environment to circumvent institutional demands.

Fourth, resistance to institutional pressures involves *defiance* strategy. This represents active agency where organisations *dismiss* institutional pressures because their enforcement is perceived as weak. Dismissal is practised when institutional requirements conflict with organisational objectives which make managers to perceive such requirements as unimportant. It is influenced in part by managerial perception that non-compliance is non-detectable and unpunishable (Shapiro and Matson, 2008). On the other hand, *challenge* involves blatant neglect of institutional pressures. The aim is to contest institutionalised norms and values by providing justifications and counter arguments for non-compliance. Challenge favours organisations that demonstrate their rationale for non-conformance. Aside from challenge, organisations employ *attack* which has more intensity and aggressiveness in denouncing, belittling or assaulting institutionalised values especially when organisational reputation is at risk. The rationale is to discredit and undermine the source of institutional pressures by questioning their legitimacy and credibility (Oliver, 1991).

Lastly, *manipulation* is the most active strategic response. Oliver (1991:157) defines manipulation as the “purposeful and opportunistic attempt to co-opt, influence or control institutional pressures and evaluations”. The aim is to change, neutralise and exercise power over the source and content of institutional pressures. Specific manipulation tactics include *co-opt* where influential institutionalised constituents are persuaded to join in organisational decision-making processes or become members of networks with the aim of neutralising opposition to organisational legitimacy. Organisations may also employ *influence* tactic in shaping the perceptions and belief systems of the public and regulators. This strategy is about conformance to institutionalised demands of which the benefits serve wider groups of organisations. For example, a professional association may try to influence regulators on behalf of their members (Shapiro and Matson, 2008). *Controlling* tactic is concerned with the exertion of power and dominance over the source of institutional pressures. Control is employed in order to dominate rather than influence institutional pressures. In this regard, its application is useful in context where institutional pressures are localised and weak (Oliver, 1991).

### 3.3.1 Predictors of strategic responses

In attempting to explain the conditions under which organisations would adopt specific strategies, Oliver (1991:159) identified five predictive factors that determine the strategy for responding to institutional pressures. These are *cause*, *constituents*, *content*, *control* and *environmental context* (Table 3.2). She claims that these predictive factors correspond to the following questions: “why these pressures are being exerted, who is exerting them, what these pressures are, how or by what means are they exerted, and where they occur”. The adoption of strategic responses varies according to predictive factors. These questions provide a nuanced understanding into the choice of strategy by an organisation when confronted with institutional pressures. Oliver examined the relationship between institutional pressures and organisational strategic response by arguing that the strategies vary according to the predictive factor at play (Table 3.2). In what follows, I discuss Oliver’s framework for determining the five predictive factors of strategic responses.

#### Cause

According to Oliver (1991), cause refers to the motive underlying conformance to institutional pressures. She argues that conformance is influenced by social and economic fitness where social fitness focuses on social acceptability that enhances legitimacy. Economic fitness on the other hand, is concerned with resource efficiency. For this reason, organisations will use little active resistance when they anticipate the benefits of conforming to social and economic pressures to be greater. However, she suggests that conformance to institutional pressures or otherwise depends on the type of organisation and the extent to which it agrees with the underlying reason given by institutionalised constituents for its conformance to social and economic pressures. In sum, the predictive factor of cause looks at the social and economic benefits of compliance. Oliver argues that there is high possibility for an

organisation to adopt acquiescence strategy when its legitimacy and efficiency would be enhanced (Table 3.2).

### **Constituents**

Oliver (1991) argues that organisations are faced with conflicting demands from multiplicity of actors. For this reason, it is impossible to meet the demands of all actors at the same time because of multiplicity. Under conditions of high multiplicity, organisations are likely to adopt compromise, avoidance, defiance and manipulation because they are driven by underlying mechanisms such as conflict resolution, reduction of uncertainty and organisational awareness of existing institutional pressures (Oliver, 1991). When dependence on constituents is relatively low, organisations tend to use avoidance, defiance and manipulation strategies. She argues that the higher the dependency on constituents, the greater the tendency for passive compliance with institutional pressures.

### **Content**

Content focuses on the requirements for institutional pressures. Oliver (1991) asserts that content is about the degree of consistency between institutional pressures and organisational goals. Organisations are more likely to comply with institutional pressures that are in line with their overall objectives and vice versa. She predicted that compromise and avoidance would be used when there is moderate consistency between organisational goals and institutional pressures while manipulation and defiance strategies are useful in periods of inconsistency (Table 3.2). This demonstrates the extent to which organisational strategy is influenced in part by factors such as willingness or otherwise to retain control, autonomy and discretion in the decision making process. Organisations would therefore comply with institutional demands perceived as non-threatening to their autonomy. However, they will move with time from compromise to defiance and manipulation where tactics such as challenge, attack and co-opt will be used when the level of threat is high. Oliver (1991) suggests that organisations mostly exercise less resistance to entrenched legal and regulatory institutional pressures irrespective of the level of threat.

### **Control**

Control refers to the means of exerting pressure on organisations and takes the form of legal coercion and voluntary diffusion (Oliver, 1991). Legal coercion is exercised when prescriptive approaches or authority are used by government's regulatory agencies on organisations. Organisations adopt less active strategy of acquiescence in context of high legal coercion given that laws and punitive measures are strictly enforced while compromise is preferable when the degree of enforcement is moderate (Table 3.2). They become opportunistic when mechanisms for legal coercion are lax and therefore apply defiance and manipulation tactics. Aside from legal coercion, control is exercised through voluntary diffusion which involves the willingness of organisations to accept and work with diffused institutionalised pressures and expectation within their institutional fields. Organisations conform to widespread institutionalised pressures in safeguarding their legitimacy but will defy or manipulate social norms and values that are less popular (Oliver, 1991).

### **Context**

Context consists of environmental uncertainty and interconnectedness. Environmental uncertainty is created when organisations cannot properly predict event outcome due to complexity while interconnectedness is about the degree of inter-organisational relationships. Oliver (1991) predicts that in an environment of high uncertainty, organisations will acquiesce, compromise and avoid institutional pressures while defiance and manipulation are likely to be used in stable and predictable operating environments in achieving organisational goals. High interconnectedness among organisations necessitates the use of less active strategy of acquiescence to institutional pressures mainly because of the need for interdependency. However, defiance and manipulation strategies are useful in environments

of intense competition and lack of cooperation among organisations. In such environment, each organisation is more concerned about its own survival.

### **3.4 Conclusion**

This chapter has reviewed and combined a set of theoretical frameworks to guide this research. In particular, it highlights that this research draws on RDT, NIT and Oliver's typology of strategic responses as theories for understanding organisational dependency and agency. It demonstrates that RDT is useful in understanding how resource acquisition results in dependency and loss of autonomy. Dependency makes organisations conform to institutionalised norms and values within their organisational fields. In doing so, I have suggested that NIT focuses on stability to the neglect of institutional change, hence its inability to explain how organisations exercise agency. The chapter further highlights the use of Oliver's typology of strategic responses in understanding how organisations respond to institutional pressures. The review of the theories highlights that they are complementary rather than substitute theories. In particular, while RDT focuses on structures that constrain organisations in their environment, it highlights that organisations manage structural forces through the adoption of strategies for reducing dependency. Similarly, Oliver's typology highlights the importance of organisational agency in managing institutional pressures from their operating environment. In this vein, there are overlaps between RDT and Oliver's typology and demonstrates the extent to which structures and agency interrelate. The theoretical frameworks represent the analytical lens for explaining my empirical findings. In addition, they inform the methodological approach and methods used in this thesis which is discussed in the next chapter.

**Table 3.2:** Institutional antecedents and predicted strategic responses

Predictive Factor	Research Question	Predictive Dimensions	Strategic Responses to Institutional Pressures				
			Acquiesce	Compromise	Avoid	Defy	Manipulate
<b>Cause</b>							
Legitimacy	Why is the organisation being pressured to conform to institutional rules and expectations	Legitimacy or social fitness	High	Low	Low	Low	Low
Efficiency		Efficiency or economic fitness	High	Low	Low	Low	Low
<b>Constituents</b>							
Multiplicity	Who is exerting institutional pressures on the organisation?	Multiplicity of constituent demands	Low	High	High	High	High
Dependence		Dependence on institutional constituents	High	High	Moderate	Low	Low
<b>Content</b>							
Consistency	To what norms or requirements is the organisation being pressured to conform?	Consistency with organisational goals	High	Moderate	Moderate	Low	Low
Constraint		Discretionary constraints imposed on the organisation	Low	Moderate	High	High	High
<b>Control</b>							
Coercion	How or by what means are the institutional pressures being exerted?	Legal control or enforcement	High	Moderate	Moderate	Low	Low
Diffusion		Voluntary diffusion of norms	High	High	Moderate	Low	Low
<b>Context</b>							
Uncertainty	What is the environmental context within which institutional pressures are being exerted?	Environmental uncertainty	High	High	High	Low	Low
Interconnectedness		Environmental interconnectedness	High	High	Moderate	Low	Low

Source: Oliver, 1991:160.



## Chapter Four: Research Methodology

### 4.0 Introduction

The previous chapter presented the theoretical frameworks for analysing and explaining NNGDOs' dependency and agency. This chapter presents and discusses the methodology employed to answer the research questions. In doing so, I aim to provide a link between the theoretical and empirical chapters. The chapter is organised into six sections. Section 4.1 discusses the scope and the philosophical stance for my research. This is followed by the research design, with particular focus on the different phases of the research process, data collection and analysis in Section 4.2. Section 4.3 provides a reflexive account of the entire research processes taking into consideration my positionality and ethical issues. A discussion of the validity and reliability of research findings is presented in Section 4.4. In Section 4.5, I discuss the research challenges, while the last section concludes.

### 4.1. Research scope

As I clearly indicated in chapter one, my research is limited to NNGDOs operating in education, health and agriculture sub-sectors of the Ghanaian economy. The rationale for the sectoral focus is that these sectors are the largest recipients of donor funding and support because they serve as an important target for Ghana's development partners (DPs). For example, between 2005 and 2015, an amount of US\$304.8 million, US\$161.3 million and US\$183.5 million have been channelled through NGDOs and CSOs in health, education and agriculture sectors respectively compared to US\$28.3 million and US\$32.5 million for humanitarian aid and democratic participation respectively (OECD, 2017a). However, as I discussed in chapter one, donor funding and relationships with NGDOs is changing in recent years. Within this broader shift, the NNGDO sector is particularly important to examine.

The choice of NNGDOs was informed by the following. First, the existing literature on NGDOs in Ghana has focused mostly on INGDOs and well-established NNGDOs to the neglect of small and medium-sized organisations operating at the regional and district levels. This is in part a result of donor and academic interest in discussion of NNGDOs' accountability and professionalisation (e.g. Kamstra and Schulpen, 2015; Agyemang et al., 2017). Small and medium-sized NNGDOs play important roles in Ghana's development because they claim to be closer and responsive to intended beneficiaries. They act as intermediaries or "interface experts" between the global (i.e. donors) and the local (i.e. intended beneficiaries) (Hilhorst, 2003:218). This notwithstanding, research by academics and the wider donor community have under-explored these important actors of development in terms of how they behave and respond to their changing operating environment. It is therefore important to explore how NNGDOs are adapting or re-inventing themselves to ensure their survival. Second, given that NNGDOs act as implementing 'partners' of donors (INGDOs, bilateral, multilateral and philanthropic organisations), changes in donor policies is likely to trigger shifts in their behaviour and response in their external environment because they are often at the receiving end of changes in donor policies. This makes them prone to uncertainty and disruptions. However, perspectives on how they adapt to uncertainty in their operating environment has received relatively little attention (Buckley and Ward, 2015).

This study is limited to 19 districts in three regions (Greater Accra, Northern and Upper West Region). An NNGDO is said to belong to a region or district where the head office was located<sup>4</sup>. My aim for selecting the regions is based on three premises: First, the Northern and Upper West Regions are located in Northern Ghana (hereafter, the North), the most marginalised part of the country where poverty is considered most severe. For example, according to the Ghana Living Standards Survey (GLSS) 6, poverty incidence for Upper West,

---

<sup>4</sup> Ghana is divided into 10 administrative regions with 216 Metropolitan, Municipal and District Assemblies (MMDAs) in 2014. There are 6 Metropolitan Assemblies, 56 Municipal Assemblies and 154 District Assemblies.

Northern and Greater Accra region stood at 70.7%, 50.4% and 5.6% respectively (GSS, 2014a:13). The concentration and interventions of NNGDOs is highest in the North. This in part is due to high poverty incidence and the peculiarities of development challenges confronting the North which has created an opportunity for several NNGDOs' interventions. It gives NNGDOs and their leaders access to donor resources because they are contracted to provide services to the 'poor'. In sum, one could argue that the presence of NNGDOs is influenced in part by goal congruence and resource dependency between donors and NNGDOs.

Second, the Greater Accra Region is included in this research because of its importance as the base of government and donors. Moreover, in terms of geographical coverage, the selected regions and districts are located in different agro-ecological and climatic zones (Figure 4.2). The North is part of the dry savannah region characterised by single rainfall pattern while Greater Accra Region is located in the dry-south east coastal plain characterised by double rainy seasons. Different agro-ecological and climatic regions present varied challenges and opportunities for NNGDOs in responding to on-going uncertainty. Northern and Southern Ghana have different degree of urbanisation and proximity to actors including government, donors and corporate organisations.

This study is limited to assessing NNGDOs' resource mobilisation between 2010 and 2015. This was influenced by reasons of data availability as Ghana lacks a central entity responsible for collecting data on NNGDOs' source and share of funding. A five-year period was considered a feasible duration within which selected NNGDOs would be able to provide information on their funding (see Appendix 1). Moreover, tracking NNGDOs' resource mobilisation from 2010 helped in understanding the implications of changing donor funding patterns following Ghana's graduation to LMIC status in 2010. My research is restricted to documenting NNGDOs' strategic responses and does not assess the wider consequences of the strategies on organisational performance including their accountability and responsiveness to intended beneficiaries.

#### **4.1.1 Critical realist orientation of the research**

A researcher's philosophical assumptions play a crucial role in the choice of beliefs and theories that guides his research. Denzin and Lincoln (2011) argue that philosophical assumptions relate to belief systems about the nature of reality and its characteristics (ontology), epistemology, axiology and methodology that underpins research. For Guba and Lincoln (1994), a researcher's ontological viewpoint represents the first step in defining their attempt to approach a research problem and question. Ontologically, I conceptualise reality from a critical realist perspective. Critical realism's (CR) philosophical assumption is underpinned by "transcendental realist ontology, eclectic realist/interpretivist epistemology and emancipatory axiology" (Easton, 2010:119). For critical realists, an objective world exists independently of beliefs, perceptions, theories and constructions. However, the objective world consists of subjective interpretations which influence how the world is perceived and experienced. Scientific enquiry is socially embedded, theory laden and fallible (Edwards et al., 2014).

Easton (2010) argues that pragmatically, an important advantage of CR lies in its performative nature. CR embraces ontological realism as well as epistemological constructivism where individual subjectivity and the meanings they ascribe to actions are crucial in understanding the external world (Maxwell, 2012). However, while recognising the importance of subjective interpretations, critical realists highlight the need for critical reflection on researchers' role in knowledge production (e.g. Sayer, 1992). To this end, CR accepts that knowledge is imperfect and highly fallible because human knowledge captures only a small proportion of a vast reality. It is therefore important to go beyond empirical observations or facts to identify causal mechanisms underlying social events (Fletcher, 2017). For this reason, knowledge generated through empirical research provides provisional and imperfect explanations of the powers and structures underlying them because knowledge is emergent, partial and political (Zachariadis et al., 2013). Knowledge is fallibly

perceived because complexity creates uncertainty about a particular phenomenon due to the multiple processes underlying events in an open system (Pawson, 2013; Edwards et al., 2014).

More importantly, the relationship and the modes of engagement between the knower and the known comprises of multiple levels and modes. For Bhaskar (1978), there is a stratified and complex account of reality situated in three ontological domains: the empirical, the actual and the real. Observable patterns are made and experienced in the empirical domain. It consists of human experiences where individual and societal perceptions operate. The actual relates to events and outcomes. It includes the empirical and non-observable events. The real on the other hand, constitutes underlying factors or causal mechanisms. It combines the empirical, actual and generative causal mechanisms that lead to event occurrence. CR focuses on stratified ontology in the construction of reality where stratification provides insight into how powers and structures relate within particular contexts (Bhaskar, 1978). Critical realist ontology conceptualises reality as complex and recognises the role of agential and structural factors in shaping organisational behaviour especially in the realm of the real. Social structures are not just abstractions but are real because they contain causal powers and liabilities. However, their ability to act on organisations is not deterministic and depends largely on context. From a CR perspective, context plays an important role in the construction of reality. In addition, while cognising that reality is partly socially constructed and dependent on concepts, critical realists caution that reality must not only be reducible to language or discourses (Sayer, 1992; Harré and Bhaskar, 2001).

Ontologically, CR serves as a middle ground for resolving the ‘paradigm wars’ between positivism and constructivism (McEvoy and Richards, 2006; Maxwell and Mitternacht, 2010; Denzin and Lincoln, 2011). It is important to clarify that although CR reconciles the dichotomy between positivism and constructivism, this does not mean a conflation of CR with mixed methods. In fact, as Maxwell and Mitternacht (2010) argue, CR is not an ‘alternative paradigm’ or the ‘preferred stance’ for mixed methods research. Rather, it embraces ontological realism and epistemological constructivism which makes it a productive stance for qualitative and quantitative research. From a CR perspective, the distinction between positivism and constructivism paradigms “creates a false illusion about the existence of two distinct worlds” where positivists focus on facts and numbers while constructivists are more concerned with meanings ascribed to social reality (Edwards et al., 2014:3). For positivists, reality is limited to empirical observations of events or facts. To this end, positivists tend to provide a ‘thin description’ rather than a deep explanation of empirical events because of their neglect of the context within which social phenomena take place (Sayer, 1992; 2000). On the other hand, Edwards et al. (2014:16) argue that both positivism and constructivism focus on the description of empirical data rather than an explanation of the causal mechanisms and contexts within which a given phenomenon occurs. This is also not to suggest that constructivists do not make causal explanations from empirical data (see Maxwell, 2012). However, as Edwards et al. (2014) maintain, their explanations are ontologically bound because they focus on local descriptions rather than the creation of theoretical explanations.

Given that reality is stratified, critical realists move from empirical descriptions to the realm of the real through abduction and retrodution explanatory logics. Retrodution (i.e. logic of inference where mechanisms are postulated and identified to explain the underlying structures and mechanisms of events) helps in accommodating various methodological approaches underpinned by different paradigms (Bhaskar, 1989; Sayer, 1992; McEvoy and Richards 2006). Retrodution helps critical realists to understand how things would have been different in the absence of causal mechanisms. In doing so, they develop theoretical explanations informed by the empirical observations (Modell, 2009). Initial theories and concepts may be accepted, revised or rejected in favour of one that provides better theoretical justifications and explanations to the understudied phenomena. For this reason, knowledge formation involves the combination of empirical observations, interpretive elements and abstract theorisation (Sayer, 1992). Moreover, while CR is a methodological framework, it is not fixated to a particular set of methods or methodological rules to which researchers should adhere to because of its methodological eclecticism.

This makes critical realists to reject anti-conflationists argument about the incompatibility of qualitative and quantitative research (Easton, 2010; Fletcher, 2017). As mentioned earlier, mixed methods should not be conflated with CR on the basis that quantitative and qualitative data could be mapped on to the notion of stratification in CR. Rather, mixed methods is linked to CR through retroduction because CR extends beyond the empirical findings to identify possible explanations (McEvoy and Richards, 2006). Retroduction helps in the identification of causal or generative mechanisms in the realm of the real for the production of critical knowledge that enables social emancipation.

#### **4.1.1.1 Justification for CR**

The choice of CR was on the following basis. First, I argue that NNGDOs' strategic responses are subjectively constructed based on their leaders' perception of the environment. This notwithstanding, I play a key role in knowledge production through interactions with NNGDO leaders leading to the creation of intersubjectivity. For this reason, I consider myself as part of knowledge creation. Second, I am interested in understanding the interplay of structural and agential factors within NNGDOs' operating environment. The structures serve as generative mechanisms that underline NNGDOs' responses to uncertainty. This creates an interdependent relationship between dependency and agency. The use of critical realist perspective is crucial to understanding the causal mechanisms driving NNGDOs' strategic responses. Here, the rationale is to help in developing much deeper understanding of the empirical results by relying on existing theories through the process of abductive and retroductive inference. In abduction, the empirical findings are interpreted through the lens of theoretical frameworks in order to identify 'surprising' findings that do not fit into the underlying theoretical frameworks. On the other hand, retroduction is useful when the aim is to identify contextual conditions that facilitate the occurrence of causal mechanisms. Through critical reflections, retroduction helps in moving the discussion beyond the empirical domain (quantitative and qualitative data) in order to gain deeper understanding of social reality. In doing so, it provides an avenue for recognising and reflecting on the interests and subjectivity of respondents, limitations of my interpretations as a researcher and accepting the existence of alternative explanations.

I acknowledge the existence of other research paradigms such as pragmatism, interpretivism and positivism that could have been used in this study. However, CR presents a better alternative for answering the research questions because it transcends the monotype data associated with purely positivism and interpretivism by adopting methodological eclecticism. While pragmatism has been used extensively in mixed methods research (see Johnson and Onwuegbuzie, 2004; Johnson et al., 2007; Teddlie and Tashakkori, 2009), it underestimates how philosophical assumptions influence research methods (Maxwell and Mittapalli, 2010:147). I also acknowledge that CR ontology aligns with complexity theory because of its emphasis on open-systems which in turn creates uncertainty. For this reason, uncertainty opens up space for theorising about the always-partial understanding of reality which makes all knowledge claims potentially fallible. In what follows, I describe the research design.

## **4.2 Research Design**

### **4.2.1 Mixed methods in NGDO research**

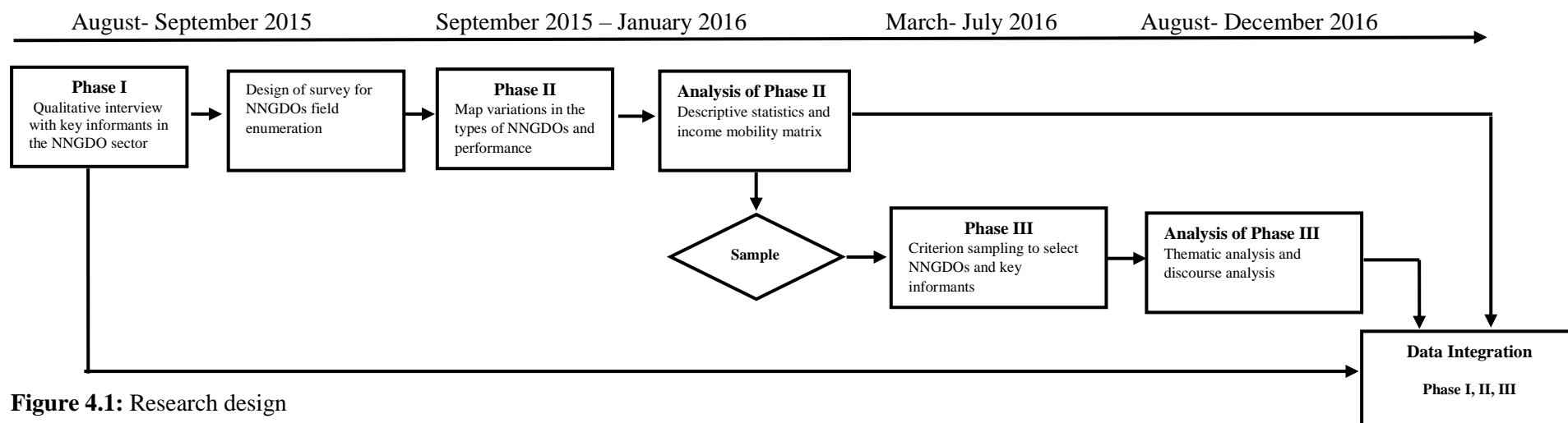
This study adopts mixed methods research involving quantitative and qualitative data collection. Mixed methods research involves “an intellectual and practical synthesis based on qualitative and quantitative research” (Johnson et al., 2007:129). This includes mixing quantitative and qualitative methods, techniques, data collection, analysis and inferences. The rationale here is to build on the strengths and weaknesses of each method by providing the most informative, complete and balanced research results (Johnson and Onwuegbuzie, 2004).

According to Creswell et al. (2003), there are two main classifications of mixed methods research design namely sequential and concurrent. Sequential mixed methods design involves collecting and analysing the qualitative or quantitative data at the first phase followed by the other at the second phase in a single research inquiry. Contrarily, concurrent design focuses on collecting and analysing qualitative and quantitative data at the same time. The authors further developed a typology for classifying different designs under each category. They maintain that the choice of a specific design is informed by: i) the weight given to the qualitative or quantitative data; ii) the process of data analysis and integration; and iii) the theoretical basis of the underlying methodology. Based on this typology, they classified mixed methods sequential research into: i) sequential explanatory; ii) sequential exploratory; and iii) sequential transformative.

In accord with this typology, I adopted a mixed methods sequential explanatory design which consists of first collecting and analysing quantitative data and later qualitative data in three distinct phases in a unified research inquiry. The rationale was to leverage the findings from the quantitative data to inform that of the qualitative data in order to add richness. The quantitative data provided a general understanding of the research objectives by mapping variations and commonalities in the types of NNGDOs and also generated a sampling frame for the qualitative research. On the other hand, the qualitative research provided an in-depth understanding in the types of NNGDOs in terms of their strategic behaviour and responses to uncertainty. The research design and an explanatory description are presented in Figure 4.1 and Table 4.1 respectively.

### **4.2.2 Phase one: Qualitative research**

In this study, the underlying research design is mixed-methods sequential explanatory where the first phase involves collecting and analysing quantitative data followed by qualitative data (Creswell et al., 2003). However, before starting the quantitative research, I conducted key informant interviews with stakeholders in the NNGDO sector in what I call phase one. The rationale was to get a deeper understanding of the dynamics and prevailing issues pertaining to the sector. The critical insights from the key informant interviews helped in the discovery of important themes for designing my survey questionnaire for the quantitative research. During phase one, I conducted interviews with two academics at the University of Ghana, one government official at the Department of Social Welfare (DSW), four NNGDO leaders, two networks and coalitions regional representatives and one expert on CSOs at the Integrated Social Development Centre (ISODEC). In total, 10 key informants were interviewed during phase one (Appendix 3). Phase one also provided me an opportunity in finalising the necessary fieldwork preparations and protocols (e.g. establishing contacts, rapport and access) before the actual administration of the survey questionnaire in phase two. Phase one took place between 17<sup>th</sup> August and 9<sup>th</sup> September 2015.



**Figure 4.1:** Research design

**Source:** Author's construct

**Table 4.1:** Explanation of the research design

Activity/Phases	Phase I (August-September 2015)	Phase II (September 2015-January 2016)	Phase III (March- July 2016)
<b>Method</b>	Qualitative data collection and analysis	Quantitative data collection and analysis	Qualitative data collection and analysis
<b>Sampling technique</b>	Purposive sampling	Stratified random sampling	Criterion sampling to select 32 NNGDOs based on results from Phase II
<b>Data collection</b>	Unstructured key informant interviews (n=10)	Structured questionnaire with NNGDO managers (n=59)	Semi-structured interviews with NNGDO managers and field staff (n=42) and key informants (n=20)
<b>Data Analysis</b>	NVIVO 11 (Thematic analysis)	SPSS 22 (Descriptive statistics and income-mobility matrix)	NVIVO 11 (Thematic and discourse analysis)

### **4.2.3 Phase two: Quantitative research**

Phase two involved mapping variations and commonalities in the types of NNGDOs. In the section below, I provide a detailed description of the sampling frame, sampling selection, survey instruments and data collection in addition to data analysis for the quantitative research.

#### **4.2.3.1 Sampling frame**

This section explains the process used in constructing a sampling frame for this research. Data on NNGDOs was compiled from four sources due to the absence of a comprehensive database. The Registrar General's Department (RGD) and the DSW are the official government agencies responsible for the registration and regulation of NNGDOs. In this regard, I contacted the two agencies in May 2015 prior to my fieldwork for the database of registered NNGDOs. The RGD provided a database of 6,078 organisations. The challenge with the RGD's database was that it did not provide information (e.g. telephone numbers, physical location of NNGDOs and their email address) on most of the organisations and therefore it was difficult establishing contacts. In addition, activities undertaken by the organisations were outside the scope of this research, hence I could not use it.

For this reason, I consulted the national headquarters of the DSW for the database of NNGDOs operating in the selected sectors and regions of interest. Surprisingly, I was given a database of only 95 NGDOs (national and international). Database of regional and district level NNGDOs was lacking. Regarding the 95 NGDOs, in many instances, the information provided such as their contact details and physical locations were incorrect while others lacked contact details at all. This made it impossible to use the database provided. I again consulted WACSI for NNGDOs' directory. Although it contained some information including self-reported address and physical location, it was not flawless as some organisational details of many NNGDOs were incorrect because they had not been updated at the time of data collection.

Faced with the challenge of getting an updated NNGDO database coupled with time constraints, I relied on three largest institutionalised networks and coalitions for information on their members. The coalitions contacted were the Ghana Coalition of NGOs in Health (GCNH), Ghana National Education Campaign Coalition (GNECC) and Northern Network for Educational Development (NNED). The regional DSW in the Northern and Upper West Regions were also consulted. These different sources were used in creating a database from which the NNGDOs were sampled. Thus, the sample was drawn from four (4) population pools (Table 4.2). To avoid duplication of names, the lists provided by the various directories were cross-checked. Based on this exercise, each organisation was recorded once. In constructing the sampling frame, the various directories were synthesised resulting in a database of 145 NNGDOs. Before sampling, I undertook a field enumeration to update and verify the actual number operating in each region. Contacts were made by telephone calls and physical visits to NNGDOs' offices. This resulted in the generation of 127 active and 11 dormant NNGDOs. In total, 138 NNGDOs were enumerated across 19 districts. Based on this, the sampling frame represents only active organisations (Table 4.3).

**Table 4.2:** Compilation of NNGDOs' database for sampling frame

Sources of Information	Regions			Quantitative and Qualitative Sampling			
	Upper West	Northern Region	Greater Accra	Overall	Sampled NNGDOs	Surveyed NNGDOs	Selected NNGDOs for interview
One source	28	46	37	111	97	35	22
Two sources	8	13	3	24	22	17	6
Three sources	5	2	-	7	5	4	1
Four sources	1	1	1	3	3	3	3
<b>All-inclusive/Total</b>	<b>42</b>	<b>62</b>	<b>41</b>	<b>145</b>	<b>127</b>	<b>59</b>	<b>32</b>
	(28.9%)	(42.6%)	(28.2%)	(100.0%)		(46.4%)	(54.2%)

**Source:** Author's construct, September 2015

#### 4.2.3.2 Sampling selection

The sample was selected from the sampling frame using a stratified random sampling. During the enumeration process to ascertain active NNGDOs, core functions and districts of operation, it was found that about 52.1% were located at the regional capitals namely Tamale, Wa and Accra. This translated into approximately 72 while the remaining 66 NNGDOs were spread in 16 other districts (Figure 4.2). In order to ensure precision and reliability of the survey results, the sample frame was stratified into two principal strata namely regional capitals and the rest of districts. The stratification scheme was based on the findings from the pilot study and enumeration conducted in the initial stages of the research. To select NNGDOs for the regional capitals and the rest of the districts, organisations were randomly chosen from the enumerated lists using a table of random numbers. Random numbers were generated for each NNGDO in the sample according to the district of operation. The sample for the district was drawn randomly from a dataset of enumerated NNGDOs. Every fifth (5<sup>th</sup>) organisation on the district and regional capital list was selected for the survey. The sampling exercise continued until quotas for each district was reached.

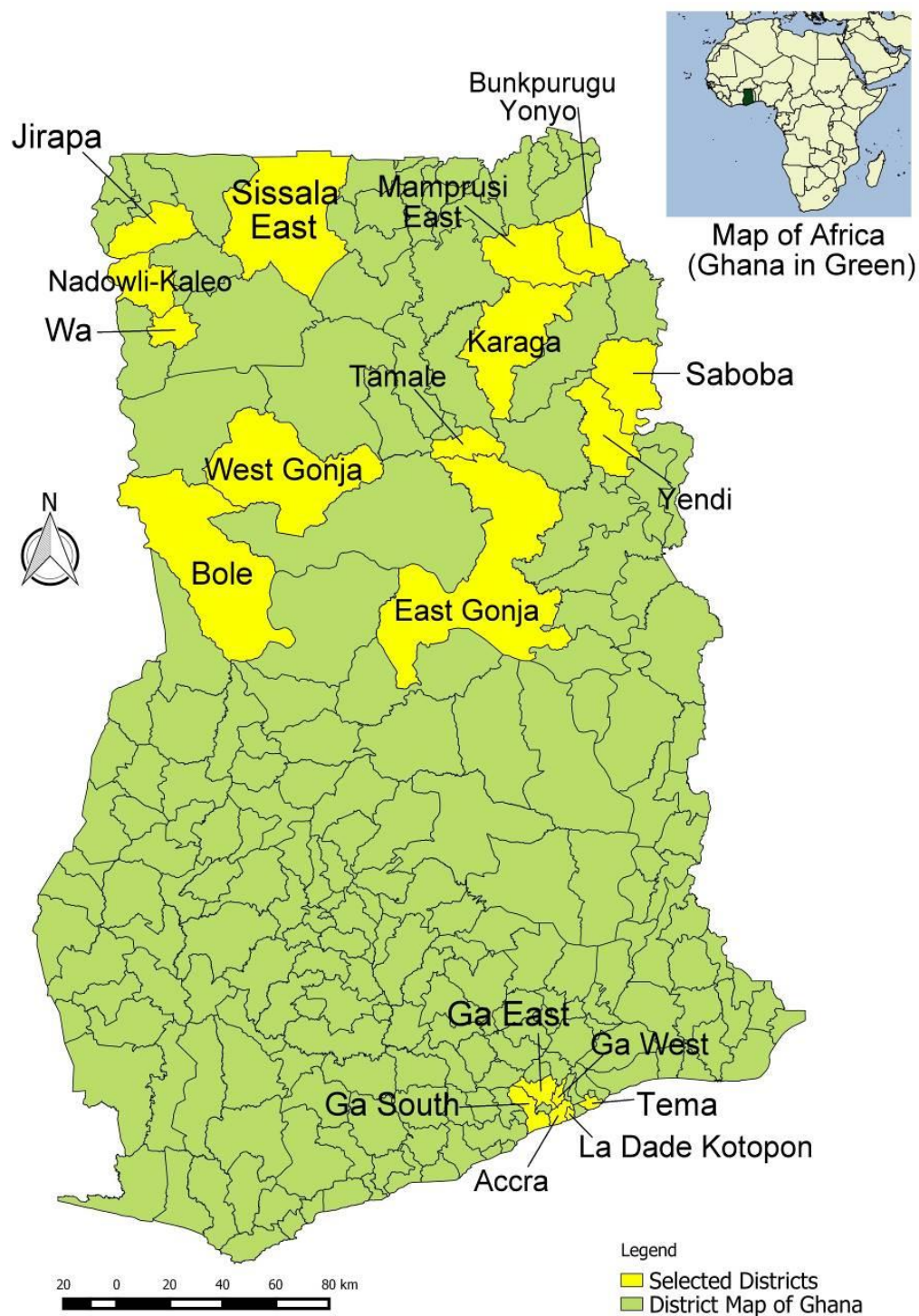
#### 4.2.3.3 Piloting of quantitative data collection instruments

Piloting of research instruments helped me to test their feasibility in order to address methodological issues that were likely to arise during actual data collection. The piloting exercise involved testing the survey questionnaire with five NNGDOs (three in Northern Region, one in Greater Accra and one in Upper West Region) between 14<sup>th</sup> and 22<sup>nd</sup> September 2015. The choice of NNGDOs was based on access, geographical proximity and convenience. The sample size was on the basis that pilot studies are mostly conducted on small sample because sample selection is influenced by feasibility factors rather than the need for inferential statistics (Leon et al., 2011).

Piloting provided me guidelines on ways of responding to unanticipated events during data collection. I used feedback from piloting to make modifications to the fieldwork strategy and research instruments especially where they failed to generate the needed data. For instance, during piloting, some NNGDO leaders indicated that the questionnaire was lengthy, hence, the need to make it shorter and less ambiguous. In line with this, I reduced the number of questions from 57 to 45 (see Appendix 1). This did not in any way change the content of the survey questionnaire but rather reduced the completion time. Again, during piloting, I realised that the nature and content of the questionnaire required that it was completed by the executive director or a member of the management team rather than a field officer. NNGDOs involved in the piloting phase were excluded from the study sample for the quantitative survey. My aim was to avoid potential bias due to their prior knowledge of the research instruments. In addition, data collected during piloting were not added to the



quantitative research because of potential problems associated with research instruments prior to their modification after piloting.



**Figure 4.2:** Location of NNGDOs' headquarters by districts.  
Source: Author, September 2015

**Table 4.3:** Location of NNGDOs' headquarters by districts

Regions/ Districts	NNGDO Directories <sup>5</sup>			Number of NNGDOs	
	Total NNGDOs	Enumerated NNGDOs	Active NNGDOs	Surveyed NNGDOs	Selected NNGDOs
<b><u>Greater Accra Region</u></b>					
Ga-East Municipal	4	4	4	2	0
La-Dade Kotopon Municipal	5	5	5	3	2
Ga-South Municipal	3	2	1	1	1
Ga-West Municipal	6	6	6	3	2
Tema Metropolitan	8	8	6	2	0
Accra Metropolitan	28	27	25	11	7
<b><u>Northern Region</u></b>					
Tamale Metropolitan	32	32	31	16	10
Yendi Municipal	3	3	3	1	0
East Gonja District	9	6	6	2	1
West Gonja District	3	2	2	1	1
Bole District	5	5	5	3	1
Bunkpurugu-Yonyo District	4	4	4	1	0
Karaga District	2	2	2	1	1
East Mamprusi District	3	3	2	2	2
Sabobba District	4	4	2	1	0
<b><u>Upper West Region</u></b>					
Wa Municipal	12	12	11	4	2
Nadowli-Kaleo District	3	3	3	3	1
Sisala East District	7	6	5	1	0
Jirapa District	4	4	4	1	1
<b>Total</b>	<b>145</b>	<b>138</b>	<b>127</b>	<b>59</b>	<b>32</b>

**Source:** Authors' construct 2016.

<sup>5</sup> NNGDO directories refer to the synthesised data from the various lists. The information gathered indicates the regions and districts in which the NNGDOs were located. This was used in constructing columns 1 and 2. Enumerated NNGDOs refer to organisations that were visited prior to sampling. Active NNGDOs refer to the organisations that were operational during enumeration and indicated their willingness for participation in the research. Surveyed NNGDOs were those that provided responses to the survey questionnaire (Phase II). Selected NNGDOs were those that met the criteria for participation in the qualitative research (phase III).

#### **4.2.3.4 Survey instrument and data collection**

The use of survey research in this study stems from its ability to produce enormous advantages over other forms of inquiry especially when they are properly designed and administered (Berry et al., 2003). In selecting the type of survey instrument for this research, careful consideration was taken as it plays an important role in the overall survey process and the type of data to be collected and analysed. The survey instrument was structured questionnaire.

#### **4.2.3.5 Design of the survey questionnaire**

The design of a well-constructed survey questionnaire is crucial to a successful research as it constitutes the main instrument of data collection. In the quantitative phase, a structured questionnaire was designed in line with the emerging themes from the in-depth key informant interviews during phase one. The survey questionnaire served the following purposes: i) to map variations and commonalities in NNGDOs' resource mobilisation strategies; ii) to identify variables associated with their ability to seek alternative sources of funding; and iii) to identify sample NNGDOs for the qualitative phase. The questionnaire was grouped into four sections focusing on information on legal and institutional requirements, financial information, human resources, structure and governance and relationship with stakeholders (Appendix 1).

The survey questionnaire consisted of 45 questions with multiple-choice answers from which responses were sought from respondents. Most of the questions were closed-ended with a few being open-ended. The rationale for the open-ended questions was to help me understand the diversity in the resource mobilisation strategies of NNGDOs. The information on specific donors cannot be measured quantitatively. Open-ended questions helped in shaping the questions I asked during the qualitative interviews and also map NNGDOs' sources of funding. The use of survey was informed by its methodological appropriateness as it allowed for inclusion of large and diverse sample of NNGDOs. This helped in capturing diversity in the sample which formed the basis of the qualitative research. Given that some NNGDOs provided sensitive organisational information including sources of funding and annual budgets, the use of survey helped in maintaining their anonymity which was a primary concern for NNGDO leaders.

A pre-notification message that introduced my research, the purpose and content of the survey was sent to NNGDO leaders through emails. Respondents were informed that their participation was voluntary and their confidentiality was assured as I had an ethical approval from the University of Bath. After receiving feedback from respondents indicating their willingness for participation, they were given the option of completing a paper survey or an electronic version as the selection of a survey mode is critical in research (Dillman et al., 2014). For respondents that opted for paper survey, I printed and delivered them personally to their offices. Paper surveys consisted of a mixture of self-administration and face-to-face interview with Executive Directors or senior management team members in their office. The rationale was that some respondents reported that they had limited time due to busy work schedules. For this reason, I had to ask the questions for them to answer directly. On the other hand, respondents that requested for an electronic survey, I sent them an email containing the questionnaire which was self-administered. These were later emailed to me upon weekly reminders by emails and phone calls. The electronic survey reduced the burden of physically delivering and collecting the responses as many NNGDOs were scattered across several districts.

Combining different survey modes (face-to-face interviews and self-administration) helped in overcoming weaknesses including low response rate and also reducing the financial costs associated with face-to-face interviews. Although mixing survey modes is useful, it has its downsides including the problem of social desirability (a situation where social norms compel respondents to give culturally

acceptable responses in interviews) which results in measurement error. By following the suggestions of Dillman et al. (2014:404-408), I designed the surveys in a way that reduced the possibility of generating different results by survey modes. The content of the questionnaire was the same for both paper and electronic questionnaire and data collection was done simultaneously.

In total, the questionnaire was sent to 127 NNGDOs. After continuous follow-ups and weekly reminders, 59 (46.6%) out of the targeted 127 NNGDOs returned their responses (Table 4.3). Response rate were 22 (37.3 %), 28 (47.5%) and 9 NNGDOs (15.3 %) for the Greater Accra, Northern and Upper West Region respectively (Table 4.3). Of the 59 NNGDOs, three were cleansed for missing information. I contacted their leaders directly through emails and phone calls for clarification. None of the NNGDOs was dropped after the data cleansing exercise. For this reason, the working database for the analysis contained information on 59 NNGDOs. Of the 59 NNGDOs, 26 (44.1%) were administered face-to-face while the remaining 33 (55.9%) were self-administered. The high response rate (46.6%) experienced in this research helped to minimise non-response bias.

There are diverse perspectives among scholars concerning what constitutes a good response rate (see Rogelberg and Stanton, 2007; Fulton, 2016). Despite this, Baruch and Holtom (2008:1153) reviewed 463 different studies between 2000 and 2005 and found that the average response rate for individual and organisational level studies was 52.7% and 37.2% respectively. They maintain that researchers who approach organisational leaders for data are faced with the challenge of low response compared to non-executive members. In this regard, the response rate of 46.6% can be considered as satisfactory since my research sought data from NNGDO leaders. This is because in an organisational questionnaire that is not coercively administered, it is rare to achieve a 100% response rate (Rogelberg and Stanton, 2007). However, having a high response rate helps in increasing the representativeness of the sample.

Among the reasons that accounted for the respectable return include the timeliness and topical salience of my research to NNGDOs. NNGDO leaders were most likely to be attracted to participate in my research because it borders on their financial vulnerability and sustainability in a time of changing funding patterns and dwindling support for their programmes. Many respondents indicated that my research was timely because it focused on their own survival and resource mobilisation issues. Gupta et al. (2000) argue that research salience to organisational leaders has a greater tendency of resulting in high response rate from survey questionnaire. Research topics that are timely and relates to the internal and external features of an organisation increases the likelihood of executives to respond to a given survey questionnaire (Cycyota and Harrison, 2006). In addition, the survey questionnaires were designed in a manner that was easier for completion. This was informed by the initial findings and suggestions from the pilot survey. In addition, sending advance notice, developing personal relationships and follow-ups ensured high response rate.

In terms of overall non-response rate, the electronic survey was higher (31.5%) than paper survey (22.0%). All NNGDOs were contacted at least six times before they were considered as non-respondents. Among the reasons that accounted for the high response rate in the paper survey includes the interactive nature of the interview process compared to the 'exam type' nature of the self-administered questions. For non-respondent NNGDOs, two indicated that were going through restructuring while three cited their busy schedules at the end of the year did not permit them to respond to survey questionnaires. The non-response rate was also due to the time this research was conducted (28<sup>th</sup> September 2015-31<sup>st</sup> January 2016). This was the period many NNGDOs were writing their end of year reports and also planning for the 2016 financial year. In addition, low incentives and past experience affected the response rate. For example, four Executive Directors reported that past researchers did not feedback their research findings. The implication of lack of feedback by researchers is that it reduces motivation for participation in subsequent academic research. To address this issue, I promised to give my research findings for feedback and also

acknowledge participating NNGDOs in the final thesis. For example, respondents provided feedback concerning the distinction among volunteers (i.e. local and international). Their feedback was also useful in classifying community and stipend volunteers (national service personnel and interns) which initially was absent from my analysis and discussion.

#### **4.2.3.6 Quantitative data analysis**

For the quantitative data, descriptive statistics in the form of central tendencies (e.g. mean, median and mode), frequencies, percentages and pictograms were used in order to generate trends and patterns in the variables (Section 5.4-5.7). Survey data were screened for missing information before the data was analysed. Quantitative data were analysed using IBM Statistical Product and Service Solutions (SPSS) 22.0. Income mobility matrix was used in accounting for changes in NNGDOs' income level between 2010 and 2015. The income mobility matrix measured the extent to which NNGDOs had transitioned in terms of their income bands between 2010 and 2015. To calculate the income mobility matrix, NNGDOs' income were categorised into six bands for the observation period. A comparison was made between the median income bands for 2010-2012 and 2013-2015 after adjusting for inflation using consumer price index (CPI) for each year (see Appendix 8). The results from the descriptive statistics and income mobility matrix were used to select NNGDOs and also design the interview schedule for the qualitative research (Phase III).

#### **4.2.4. Phase three: Qualitative research**

The qualitative research was aimed at providing an in-depth understanding of the results from phase two. It sought to explore the perception and experience of NNGDO employees on issues pertaining to their strategic responses to uncertainty and factors that constrain and influence the choice of strategy. Onwuegbuzie and Collins (2007:292) point out that in designing and selecting sample in mixed methods research, two important factors need consideration namely, time orientation and the relationship between the quantitative and qualitative data. Based on these criteria, they maintain that quantitative and qualitative data have identical, parallel, multi-level and nested relationships. First, identical relationship involves the use of the same sample members for the quantitative and qualitative phases. Second, in parallel relationship, different samples are used for the quantitative and qualitative research but are selected from the same population. Third, multi-level relationship involves the use of two or more samples drawn from different sample population for each phase. Last, nested relationship involves the selected sample of one phase represents the subset of participants selected for the next stage. In accord with this typology, I employed nested relationship for the qualitative research where NNGDOs that had participated earlier in the quantitative research were selected using criteria sampling.

##### **4.2.4.1 Criteria for selecting NNGDOs**

In selecting NNGDOs for the qualitative phase, I used the following criteria:

1. Minimum size and age: In terms of size, NNGDOs' annual budget must not be less than GH¢20,000 (US\$5,263.15) and the number of paid employees (not less than 4 staff) was used<sup>6</sup>. For age, NNGDOs must have been in existence for more than 5 years and must have had experience with donor funding.
2. Indicators of strategic responses: Self-reported coping mechanisms such as engagement in income-generating activities and membership of networks were used.
3. Indicators of resource diversification: This was measured by funding variety and concentration ratios in terms of self-reported funding sources. This selection was based on information from the

---

<sup>6</sup> Between September 2015 and January 2016, the average interbank exchange rate was US\$1.0 = GH¢3.80.

income mobility matrix which helped in the identification of ‘positive and negative deviants’ in terms of how their income had changed over a five-year period.

4. Indicators of financial sustainability: Self-reported NNGDOs’ financial situations (precarious, surviving, thriving and sustainable) and measures to mitigate financial vulnerability were used.
5. Willingness of NNGDO leaders to grant access.

The above criteria ensured the selection of different NNGDOs (e.g. big and small, old and relatively new, sustainable and precarious). The rationale was to highlight the effects of organisational characteristics on NNGDOs’ resource mobilisation and strategic responses. The criteria ensured the inclusion of ‘positive and negative outliers’. The selection of different NNGDOs provided a nuanced understanding in capturing dynamics in NNGDOs’ responses to uncertainty.

#### **4.2.4.2 Selection of NNGDOs for in-depth interview**

Choosing the right sample size in mixed methods research is crucial because it determines the type of generalisation to be made. However, for most qualitative studies, emphasis is on meanings rather than statistical generalisations which make sample size not an issue (Onwuegbuzie and Leech, 2005). In fact, for qualitative researchers and methodologists, the question of how many interviews is enough for validation remains debatable. Despite this, there seems to be an agreement on the concept of saturation as the yardstick for determining sample size but many researchers fail to demonstrate how they reached saturation in their study (Guest et al., 2006; Corbin and Strauss, 2015). Generally, in order to achieve saturation in qualitative research, sample size should not be too small but also having too large sample size is not helpful because of the difficulty involved in conducting an in-depth analysis of the understudied phenomena as well as data becoming repetitive (Mason, 2010).

When selecting sample size for a qualitative research, key determinants including heterogeneity of the sample, number of selection criteria, multiple sample, research scope and design cannot be underestimated (Ritchie and Lewis, 2012). For this reason, Ritchie and Lewis (2012:84) suggest that for individual qualitative interviews in a single study, the sample should “lie under 50”. Informed by these factors and the study criteria, 32 NNGDOs that participated in the quantitative phase were purposively selected for in-depth interviews (see Appendix 2 for profile of selected NNGDOs). The use of purposive sampling was on the basis that I was not sampling to be representative of the NNGDO sector but rather explore in-depth through key informant interviews with NNGDOs’ employees to capture diversity of context and experience on how they mobilise resources and also adapt to their operating environment. In other words, the aim was to have a deeper understanding of a small but increasing dominant subset of NNGDOs.

#### **4.2.4.3 Choice and selection of research participants**

Respondents for NNGDOs were executive directors, programmes directors/managers and field officers. This ensured that staff at different organisational hierarchy were included in the research. Other key informants including donor representatives, NNGDO network and coalition representatives and government officials were interviewed. In total, 62 interviews were conducted during phase three (see Appendix 3).

#### **Executive Directors and Heads of Programmes**

Given the focus of my research, selected key informant(s) were members of the senior management team specifically executive directors and programme directors/managers. These informants were deemed appropriate as they were in the best position to provide better and adequate information about their organisations (Ritchie et al., 2007; Fulton, 2016). Thus, they are most knowledgeable source of organisational level information as they play key roles in decision-making processes. The rationale for interviewing executive directors was that I considered them as originators, catalysts and keepers of

organisational story and ideas because they shape decision-making processes in their organisations. These individuals play an important role in forming, changing and maintaining organisational culture. In addition, given that many NNGDOs had highly personalised leadership characteristics, they shape and influence resource mobilisation through their personal connections and engagement with stakeholders (e.g. politicians, government and donor officials), hence the need to understand their perspectives on strategic responses. Moreover, executive directors were custodians of all financial and non-financial information. Lastly, the support of executive directors was necessary in getting access. I interviewed executive directors in order to understand issues pertaining to their governance structures, resource mobilisation, effects of environmental factors on their operations, strategic responses and relationships with stakeholders.

The choice of programmes directors/managers was on the basis that they were responsible for the day-to-day administration of projects and programmes and had access to organisational information. In cases where an executive director was unable to provide some information, I was referred to the programme director/manager. In some NNGDOs, I interviewed both executive directors and programme directors/managers. There were instances where only programme directors/ managers were interviewed because their executive directors were not available at the time of data collection (see Appendix 3).

### **Project and field officers**

Project and field officers play vital roles by serving as the link between NNGDOs and their intended beneficiaries. These officers are the direct implementers of programmes and projects and have first-hand information about NNGDOs' strategies and their implications on programmes and intended beneficiaries. The rationale for interviewing these officers was to get a deeper insight and different perspectives into organisational information provided by senior staff members. This helped in understanding internal organisational culture and dynamics as well as the flow of ideas, knowledge and information within the various NNGDOs.

### **Donor representatives**

Donors play important roles with regard to NNGDOs' operations as they serve as their 'lifeblood' through the provision of funding and other support. Donor dependency among NNGDOs implies that changes in priority areas and funding patterns greatly affect their survival. It was therefore appropriate to seek donors' perspectives by focusing on issues pertaining to funding criteria and selection process, changes in priority areas, grant conditionalities and how they framed and understood NNGDOs' sustainability (Appendix 5). Donor agencies and representatives were purposively selected based on the following criteria:

1. The organisation must be a bilateral, multilateral, INGDO or philanthropic development agency that provides resources to support the activities of NNGDOs.
2. The donor representative must be a key personnel (e.g. Country Director, Programme Director, Finance and Administrative Director or Manager, Programme Officer and Grants and Fundraising Manager) with formal responsibility for and/or practical knowledge of NNGDO funding landscape and be willing to participate in this research.
3. Sampled NNGDOs must have indicated that they received funding and support from the donor between 2010 and 2015.
4. The donor agency must still be active and willing to be interviewed.

Based on the above criteria, I contacted five donor agencies but two (i.e. USAID and AUSAID) could not participate in the research because they reported that they were unavailable for interview. For this reason, a total of three bilateral and multilateral donor representatives ((Danish International Development Agency (DANIDA), European Union (EU) Delegation to Ghana and DFID) were interviewed. In addition, I interviewed six representatives of grant-making institutions (2 from African Women's Development Fund (AWDF), 2 from Strengthening Transparency, Accountability and Responsiveness in Ghana (STAR-Ghana), 1 from Business Sector and Advocacy Challenge Fund (BUSAC) and 1 from the corporate foundation of a telecommunication company. Three representatives of INGDOs (Tree Aid-Ghana, IBIS-Ghana and ActionAid-Ghana) were also interviewed (see Appendix 3). I interviewed these respondents because they managed the grants and their relationships with NNGDOs. In addition, the interviews not only helped in supplementing and validating the information provided by NNGDOs, it also provided insights into how changes in donor funding and priorities affect organisational survival and sustainability.

### **Government officials**

Two officials from the national headquarters and Northern Regional Office of the DSW were interviewed in relation to issues concerning the registration and regulation process of NNGDOs in Ghana. The rationale was to understand the effects of NNGDOs' institutional environment on their operations. Moreover, information on the different categories and the number of NNGDOs operating in Ghana was asked. I also wanted to find out about the legal requirements and processes involved in operating social enterprise or commercial activities for NNGDOs (Appendix 7). I contacted four government ministries (Health, Education, Agriculture and Finance) but I was only granted access to officials at the Ministry of Finance. Two representatives from the Aid and Debt Management Division (ADMD) were interviewed to understand the implications of Ghana's LMIC status on the inflows of ODA and other form of development assistance on government's support and relationship with NNGDOs. I was also interested in understanding how government's regulatory environment affected NNGDOs. Since the ADMD deals directly with all ODA inflows into Ghana and manages the relationship with Ghana's DPs, it was important to seek their perspectives on NNGDOs' financing. While it would have been insightful to get different perspectives from other ministries, access was denied despite several attempts to use formal and informal channels.

### **Other key informants: Consultants and network/coalition leaders**

Key informants including consultants, representatives of WACSI and NNGDO networks and coalitions with practical and extensive knowledge of the sector were interviewed. The selection of the key informants reflected the diversity of thematic areas and NNGDO types used in my research. During fieldwork, many NNGDOs reported using the services of development and management consultants to write their grant proposals. For this reason, I used snowball sampling in identifying two consultants with extensive knowledge on NNGDOs' resource mobilisation and management. The aim was to understand issues pertaining to how NNGDOs sought funding especially through calls for proposals and wider issues pertaining to the sector. I also interviewed two staff from WACSI which provides capacity development programmes for NNGDOs to explore their perspectives on issues of sustainability and NNGDOs' adaptation mechanisms. I conducted three interviews with three institutionalised coalitions and networks-GCNH, NNED and Coalition for Development of Western Corridor of Northern Ghana (NORTHCODE). My aim was to understand from a sector perspective, the relationships among NNGDOs and donors and how such relationships were managed. In addition, information on the regulatory mechanisms and the sustainability of the networks and their members were sought. To validate the information provided by the networks and coalitions, a representative of Kasa Initiative-a pooled-funding mechanism for NNGDOs



and CSOs in natural resource and environmental governance was interviewed. The rationale was to compare the responses provided by the coalitions in health and education with other sectors.

#### **4.2.4.4 Instruments for qualitative research**

Data for the qualitative phase were collected mainly through semi-structured interviews, field notes and archival research. The rationale was to help in triangulating and validating responses provided during the interview process in order to secure an in-depth understanding of the understudied phenomena which helped in avoiding researcher and respondent bias (Denzin, 2012; Yin, 2014).

#### **Semi-structured interviews, interview protocol and data collection process**

Maxwell (2012) argues that there are different forms of interviews that can be used in collecting qualitative data including structured, semi-structured, un-structured, life history, ethnographic and open-ended interviews. As part of the data collection process, I employed semi-structured interviews (i.e. interview guides) in having an in-depth understanding of NNGDOs' strategic responses based on individual perspectives and beliefs. The in-depth interviews were conducted with the aim of getting respondents' point of view on their experience because knowledge is socially constructed between the researcher and the researched. Again, NNGDOs engage in interaction with stakeholders in their operating environment, hence the need to have in-depth interviews with the different stakeholders including government and donor officials (see Appendix 5-7).

The semi-structured interviews consisted of open-ended questions as this gave interviewees opportunity to express their opinions in details. This follows the advice of Gillham (2005) that elite interviews be loosely structured because of the sensitivity with the information they provide. In addition, elite interviews often raises methodological and ethical issues which requires researchers to be tactful in the way they approach participants in terms of rapport building, asking sensitive questions and negotiating power relations. In seeking further clarifications, I used prompts and probes in the interview process which ensured that the desired topics were thoroughly investigated. All interviews were conducted face-to-face and this accorded me the opportunity to understand the issues discussed from participants' perspectives.

In collecting the qualitative data, access was relatively easier because I had established relationships and built rapport with NNGDO leaders during the quantitative phase. For selected organisations, an email informing and requesting for their participation was sent. If the NNGDO was interested in participating, appointments were scheduled. These were done in a timely manner which led to a fruitful interview process. The Civil Society Sustainability Workshop organised by International Non-Governmental Organisations Training and Research Centre (INTRAC) and WACSI on 17<sup>th</sup> November 2015 in Accra gave me the opportunity to meet and build networks with representatives of donor agencies.

For donor representatives, they were purposively selected and contacted through emails and telephone calls. For key informants in the NNGDO sector, I used snowball sampling based on initial discussion with a representative from WACSI. The key informant recommended and provided the contact details of other informants. For government officials, they were purposively selected based on formal and informal contacts I had developed through personal visits during data collection. I wrote an introductory letter supported with a letter by my supervisor to all respondents (Appendix 4-7). Once access was granted, I arranged for an appropriate time for the interviews.

In terms of interview protocols and questions, four different interview schedules were prepared for respondents. The interview questions started with a brief biography of respondents in terms of their position and responsibility within the organisation in addition to brief organisational history. These were followed by more complex questions that sought to address the specific issues under each section. I used transitional questions in leading interviewees to the key questions.

I did not employ the services of research assistants and solely conducted all interviews. In conducting interviews, I was adaptive, flexible, sensitive and an active listener.

In collecting the qualitative data, I conducted 42 in-depth interviews with respondents from 32 NNGDOs. In some cases, respondents were interviewed twice over a four-month period with the rationale of seeking clarification on information provided earlier. All interviews were conducted in NNGDOs' offices. I conducted 11 and 9 interviews with donor representatives and key informants respectively. All interviews were conducted in their offices. All respondents consented to tape recording before the interview with the exception of DFID where tape recording was not allowed because of perceived security threats. Hence, I relied on field notes as a way of capturing the issues discussed. For NNGDOs, I collected about 3600 minutes of digital recording with the average length of 85 minutes. Data collection for donor representatives started in January 2016 while that of NNGDOs and key informants took place between March and July 2016.

All interviews were conducted face-to-face solely in English. Written and verbal informed consent was sought before starting any interview. Respondents were informed that they were free to withdrawal at any time if they wish to do so. The audio interviews were tape-recorded and later transcribed verbatim. In qualitative research, verbatim transcription is crucial for reliability, veracity and validity of data (MacLean et al., 2004). The transcripts were also used in cross-checking and filling gaps in field notes written during the interview process. By doing so, it helped in the reduction of interviewer bias as field notes were compared with the original data. All interviews were tracked by renaming recorded audio files with interviewees' name, organisation, position and date of interview. Some interviews were transcribed within two weeks while majority took place between May and July 2016. The rationale was to ensure that all clarifications were sought from respondents.

### **Field notes and journal**

Aside from interviews, data collection was supplemented by field notes. According to Spradley (2016), field notes play important role in research analysis when they are well organised. This can be in the form of recordings of events, interactions, thoughts as well as the feelings of participants in their natural contexts. In this research, informal conversations were lengthened as extended field notes. These included completing sentences and filling gaps expressed by respondents but were not tape-recorded. Extended field notes were written when the ideas were fresh in my memory. I kept a field journal of everyday activities, impressions and informal observations that I considered to be of relevance to this research especially in relation to some emerging themes. For example, I attended workshops and regional network meetings in Tamale which helped me in documenting some themes on power imbalance among network members. The use of field journal ensured researcher reflexivity.

### **Archival research**

Archival research was also used as data collection tool. This helped in getting access to information not subjected to personal discourses. Specific archival research included annual and project reports, financial statements, policy briefs and grants applications of some NNGDOs. In addition, I collected data from NNGDO and donor websites. For NNGDOs, the analysis of their websites provided me with some information on their visibility and branding, programmes, funding partners and networks. This helped me in validating some information provided during the interview process. For donors, it gave me insights into their partnership with NNGDOs and available funding opportunities. I also reviewed some national newspapers (e.g. Daily Graphic) with the intention of finding out how calls for proposals were advertised and the selection criteria used (Appendix 10-11). This helped in the design of the interview schedule for donor representatives.

#### **4.2.4.5 Qualitative data analysis**

Qualitative data analysis involves working systematically and grouping of textual data into categories in order to establish patterns that emerge out of the data. The data analysis process started with verbatim transcription of the interview data. I checked the transcripts against the recorded audio files in order to ensure accuracy. As with most qualitative research, approaches to analysing data are diverse without any clearly agreed rules due to its complex nature. In this research, thematic analysis method of analysing qualitative data was used. This provided flexibility because it was not restricted to a particular set of theories. Thus, thematic analysis as reported by Braun and Clarke (2006:81) can be a realist method that tends to report on respondents' experience, meanings and reality in specific contexts. In other words, it is a method that "works both to reflect reality and to unpick or unravel the surface of reality". The inductive, iterative approach to qualitative analysis informed my analysis.

Braun and Clarke (2006) identified six stages in conducting thematic analysis: i) familiarisation with the data; ii) generation of initial themes; iii) searching for themes; iv) reviewing of themes; v) defining; and vi) naming themes and report production. In accord, after transcription, I familiarised myself with the data by going through (i.e. reading and re-reading) each interview several times for more meaning and understanding. The rationale for data immersion was to help in the identification of emerging themes. This process was 'grounded' in the sense that the themes emerged out of the data. As part of the familiarisation process, the transcripts were first grouped into categories (i.e. NNGDOs, donors and key informants) in order to organise the data into meaningful groups in identifying specific theme emerging from each group. After data familiarisation, I identified broader themes from the transcripts. The identification of the themes was informed by my philosophical stance and the theoretical frameworks reviewed in chapter three. This echoes Braun and Clarke's (2006) argument that researchers employing thematic analysis must acknowledge their theoretical positions because although it is data driven, the researcher does not analyse data in theoretical and epistemological vacuum.

At the beginning of the analysis, I identified broad and specific themes emerging out of the data using the process of indexing (i.e. labelling the data according to specific thematic framework). It helped in identifying and developing main themes (parent nodes) and subthemes (child nodes) in NVivo software. Three main themes (resource mobilisation, external environment and strategic responses) were developed during the first coding process. Although the coding process was inductive, it was guided by my critical realist ontology. For example, the parent node for external environment represented structures while resource mobilisation and strategic responses represented agency. As part of the second coding process, 27 broad child notes were further developed as sub-categories of the three broad themes. A third and fourth coding process was used in generating 165 and 32 sub-themes (child notes) respectfully.

Coding process in NVivo was iterative in the sense that adjustments were made due to the emergence of new and modification of old themes. Thus, data analysis took a recursive rather than a linear approach which involved movements back and forth with the data and the emerging themes. To this end, all coded interviews for each theme was read in checking for coherent pattern at the individual thematic level. A similar process of refinement was undertaken in relation to the entire data which allowed for new themes that were not initially identified to be coded. The refined themes were read to identify their diversity, significance and type of data captured. This process involved moving away from the superficial to analytical properties of the extracted data.

Case classification and attributes in NVivo were used in sorting respondents into different categories. This included discussion type, type of NNGDO, region, sector (s) of operation, type of donor and key informant were developed. Case categorisation helped in comparing the different interviewee responses. My aim in doing so was to identify and understand differences and similarities in responses.

After developing the categories, a detailed analysis was written on each theme to identify and capture the 'on-going story' and the relationships between the themes. Coding query in NVivo was used in establishing the relationship between the different themes. Framework matrix function helped in identifying patterns in the data through cases (respondents) and themes (nodes). This allowed for cross-cases comparison among NNGDOs. My aim was to avoid over generalisation from a single case. Patterns of relationships among themes were analysed. This was followed by a detailed summary and explanation of the extracted data. It is worth saying that memos written during fieldwork and coding process were useful as they helped in capturing my reflections on the interview data and the coding process. This proved very useful in documenting and organising my interpretation of the data which were incorporated into the thesis.

Discourse analysis was also used in analysing the nature and how NNGDOs framed their inter-relations with stakeholders. It also offered insights into how NNGDOs made meanings and understood uncertainty within their operating environment. In understanding organisational ideas and strategies, different staff within organisations had multiple meanings and interpretations and therefore raises important questions: do all NNGDO staff speak the same language in terms of their strategic responses? Do the views of senior management team differ from that of field officers? Do the views of NNGDOs on their organisational sustainability differ from that of donors? Discourse analysis was used in unravelling how NNGDOs and donors framed sustainability. This helped in understanding differences and commonalities in meanings and interpretations ascribed to the same issue. It was also useful in understanding variations in interpretation of transcripts and other organisational documents. These meanings and interpretations are socially constructed, context specific and fallible because of their subjective nature and therefore reflect a key aspect of critical realist ontology.

The use of discourse analysis helped in identifying important themes, terms and their frequency of usage. For example, on discussions of how structures affected NNGDOs' survival, the most frequently used words included 'funds', 'dependent', 'donors', 'projects', 'overheads', 'shifts', 'priorities', 'requirements', 'accountable', 'transparent', 'legitimate', 'approval' and 'capacity'. Words like 'negotiate', 'engage', 'choice', 'aggressive', 'decide', 'challenge', 'brand' and 'invest' were also used to express NNGDOs' agency and room for manoeuvre. Discourse analysis was useful in unravelling the underlying reasons that accounts for adoption of certain strategic responses by NNGDOs whether it was shaped by donor actions, forethought or leaders' intentionality.

#### **4.3 Reflexivity and positionality**

My fieldwork was moulded by my experience in the NGDO sector, nationality and social identities. My original interest in this research was based on my experience at the Grants Acquisition and Management Team of World Vision International, Ghana (WVG) between January and August 2014 where I solicited funds to support orphans and vulnerable children. Mobilising financial resources was challenging even for WVG. I began to question why NGDOs found it difficult in ensuring their survival and sustainability. More importantly, if INGDOs were even 'struggling' to survive in their changing environment, what will happen to small and medium-sized NNGDOs? The need for bringing to light how NNGDOs mobilised resources and adapted to changes in their environment was too strong for me to ignore, hence, I developed an interest in conducting this research. Given this background, I consider myself an insider because to some extent I share knowledge with my respondents based on my prior understanding of the context.

Nationality is recognised as an important indicator of insiderness (see Matejskova, 2014). My nationality as a Ghanaian presented both opportunities and challenges during data collection. I identify as a Ghanaian student studying abroad and my educational background gave me some kind of 'respect and credibility' in the eyes of some respondents. On the other hand, my position as a PhD candidate also made some

respondents to consider me as an 'expert' and therefore thought that I knew better than them when I asked certain questions. In such instances, by being critically reflective, I assumed the position of an observer who was interested in having an in-depth understanding from a practitioner's perspective and experience. Revealing my identity as a PhD candidate had its downsides because when I present myself as an 'expert', it might make my respondents feel I am challenging their authority or intimidating them. However, not showing expertise especially with elite interviewees may also lead to some doubts and control of the interview process by interviewees.

My position as an insider researcher also gave me access to some respondents. For instance, my insiderness helped me to establish contact with intermediaries (e.g. former schoolmates) who introduced me to government officials. In addition, through my personal contacts, I attended NNGDO workshops during my fieldwork which helped me to gain access to some respondents. However, not all key informants were contacted through intermediaries. I personally contacted some directly through emails and phone calls. This notwithstanding, intermediaries helped in clarifying doubts about my identity and intentions to key informants. In addition, it helped in increasing trust from potential respondents because of the need for indirect reciprocity. Moreover, as part of social norms, it was difficult for potential respondents to ignore the request for participation made by intermediaries.

As part of indirect reciprocity, there was potential utility of my research to NNGDOs. For this reason, many respondents considered me to share their concern about sustainability. I promised to share preliminary research findings with NNGDO leaders which benefit myself and my respondents. For NNGDOs, getting detailed information on their sources of funding and strategic responses by other organisations is crucial. My position as a student in the UK made some NNGDOs to admittedly perceive that I could help them secure funding but I explained to them that I don't have access. The purpose for selecting NNGDOs was always made clear to respondents prior to the survey as this was stated in the information sheet and iterated prior to and during the interview process.

In addition, although I considered myself an insider, there were instances where I found it impossible to assume this positionality because of my limited knowledge of the NNGDO sector and the desire to have multi-faceted perspectives from respondents. In those instances, I identified as an outsider, seeking respondents' first-hand experience; they questioned my position in some instances. During the interview process, some respondents regarded me as behaving like a 'foreigner' with limited knowledge about Ghana. Such instances reflect the challenge of categorising a researcher into an insider or outsider. This dichotomy is not helpful especially in areas where ethnic and national belongings are multilayered and it becomes impossible for a researcher to assume a particular positionality. As Narayan (1993) points out, maintaining an insider or an outsider perspective is complex because our positionality goes beyond culture and nationality and are influenced by factors including our education, gender and class.

A researcher's positionality could be changed by contextual factors that are beyond his control. Contextuality is key to determining insiderness or outsidership. In my research, I was more fluid in shifting positions from an insider or outsider perspective based on prevailing contextual factors. When talking to NNGDO leaders, I assumed the position of an outsider because I had limited knowledge of the current issues in the sector but with donors, I was an insider especially if the discussion touched on general national issues relating to NNGDOs. I therefore exercised both empathy and alienation during my fieldwork. According to Collier and Muneri (2016), contextual factors play a key role in any research. Against this backdrop, accounts of reflexivity that focuses only on researcher's reflection to the neglect of these contextual factors is not helpful. Informed by this, I acknowledge that religious differences did have some effects on my data collection. For example, there were instances especially in Northern Ghana where I had to pause interviews to allow respondents to go to the mosque to pray. These occurrences

helped me in finding common ground with my respondents. For this reason, I did not feel distant from my respondents although I was not emotionally connected during the interview process.

It is also worth mentioning that in terms of sampling, many NNGDOs were found in the regional and district capitals while some were scattered across towns in the districts. In this regard, travelling from the regional capitals to the other districts required huge financial and time resources. For example, travelling from Accra or Tamale where I was based to some NNGDOs in the the Upper West Region took between 6 and 16 hours drive depending on the car. However, I had limited financial resources. For this reason, although I travelled to the various districts, the amount of time I spent there was limited compared to the regional capitals. I had pre-existing contacts in the regional capitals who provided me numerous support including accommodation which reduced the financial burden compared to collecting data in the districts where I had to lodge in hotels and manoeuvre my way throughout my fieldwork. I acknowledge that spending much time at the regional capitals gave me easy access but this might have influenced the number of NNGDOs that participated in this research. This is not to suggest that the selection process was skewed towards NNGDOs at the regional capitals. Both district and regional representation was achieved in the sample.

In reflecting on potential power relations between respondents and myself, I am aware that I directed the interviews process in most cases because I was interested in exploring particular sets of questions. However, in many instances, since respondents had the power and access to information, they sometimes wanted to talk more about general issues including their relationships with donors and issues of perceived discrimination. I had the flexibility of spending some interview time for discussion because they provided important insights into the sector as a whole. These issues further opened up opportunities to probe more questions. Respondents were willing to spend quality time over one and half hours talking to me despite their busy work schedules and this helped me to cover all the issues I wanted to discuss. While I was aware of the importance of access to a successful research, I ensured that demands placed on them were minimised and did not disrupt their core organisational activities.

I was also aware of the potential role that my social identities like gender and age could have on how I was perceived by respondents. Gender roles did not significantly affect my interactions with respondents. For female respondents, they did not feel pressured in giving me answers that were socially desirable due to gender differences. While many respondents were elderly and would sometimes call me their son during the interview process, it did not affect how I related to them. However, when talking to respondents in my age bracket, the interviews were more free-flowing because I could relate to them and there were instances where respondents would use local jargons like '*charlie*' (informal way of calling a friend or brother) during the interview process. It is important to clarify that since this research is about organisational behaviour and strategies and not a detailed account of an individual's personal life, issues concerning my social identity had no significant impact on this research. However, my role as a researcher influenced the data collection, selection and analysis. For this reason, while recognising respondents' perspectives, I also acknowledge that my role in the co-construction of knowledge might have influenced the analysis and the findings of my research.

#### **4.3.1 Ethical considerations**

Ethics play a major part in any given research. The mixed methods employed in this research implied that I was faced with ethical problems including informed consent and confidentiality during my fieldwork. My research was guided by the ethical principles of the ethics committee at the Department of Social and Policy Sciences, University of Bath. To address problems of informed consent, I sent out written consent to organisations for their participation and explained to them the purpose of the study. Information sheet was given to respondents to read before they participated in this study. It contained researcher's

information including contact details, purpose of the research, responsibilities of the researcher and respondents, dissemination of research findings in addition to the right of respondents to withdraw from the study at any time if they so desire.

Signed informed consent sheets were kept separate from the data in order to ensure that respondents' anonymity is maintained. Respondents were assured that participation in this research through the completion of survey questionnaire and in-depth interview was voluntary (Appendix and 4). They had the right to withdraw at any time if they wish to do so. This idea of participation being voluntary was iterated through the research process. The rationale was to avoid the potential of being extractive in the data gathering process. As part of informed consent strategy, I sought respondents' oral consent before the start of any interview. In ensuring anonymity and confidentiality, organisations and key informants were given the option if they wanted their names to be anonymised or maintained in the research. Those desiring that their names be anonymised were assigned with codes in the final analysis in order not to disclose their identity. For confidentiality reason, I have labelled respondents as NNGDO 1-32; Donor 1-8 and Key Informant 1-12 throughout this thesis (see Appendix 3).

To address the problem of deception, I explained in details the purpose and goals of the research to respondents so that they became aware of the reasons for their involvement. Providing clarity on the purpose of the research helped in gaining the trust of respondents. Also given the sensitivity of information provided (e.g. annual budget), it was vital that the purpose of the research was outlined. To address the problem of lying, I explained to respondents that information provided were for academic purposes as a partial fulfilment of the requirement for the attainment of a PhD degree. This helped in clarifying any false impression such as my association with donor or government agencies and respondent's expectation of perceived beneficial outcomes. Prior to data collection, I established contacts in Ghana with relevant stakeholders including academics and NGDO practitioners. This ensured that my research findings feedback into Ghanaian research and policy discussions. Establishing contact with a University in Ghana again served as a monitoring mechanism for ensuring that the research was conducted in accordance with local research requirements. Preliminary research findings were reported to respondents for their response and constructive feedback.

#### **4.4 Validity and reliability**

The use of mixed sampling procedures in this study increased internal validity and reliability. Moreover, the quantitative research instrument was piloted with NNGDOs while the design of the qualitative instrument was informed by results from the quantitative research. To ensure credibility of research findings, the use of multiple sources of evidence addressed this concern. The use of an iterative approach to data analysis where evidences were tabulated and compared ensured construct validity and reliability. The iterative approach involved steps such as identification, coding, verification and comparison of emerging themes from the different sources of data collection. In doing so, active reflexivity was required which helped in avoiding researcher bias and pre-conceptions. In addition, the detailed description of the methods used in this research ensured reliability and since I collected and analysed the data myself, it enhanced the authenticity and accuracy of the findings reported in this thesis. I also used member checking by sending the transcripts from the recorded interviews to respondents for verification. I also shared preliminary findings with respondents for their critical feedback. Against this backdrop, I ensured data accuracy where my interpretations reflect the views of respondents. Feedback from respondents were incorporated into the final analysis and discussion.

To ensure that the conclusion from mixed methods sequential design is valid and credible, I followed Collins et al. (2007) and Ivankova's (2014) recommendation on the use of sequential nested sampling for the qualitative data. The selection of different NNGDO types ensured interpretive validity and rigour of

research findings (Teddle and Tashakkori, 2009). In terms of generalisability of research findings, the mixed methods sequential sampling design allows for statistical, analytic and case-to-case transfer generalisations for the quantitative results (Onwuegbuzie and Leech, 2005). The inclusion of NNGDOs and key informants from different sectors enhanced the theoretical and analytical generalisability of the research findings taking into consideration contextual factors.

#### **4.5 Challenges of conducting organisational research**

##### **Politics of access**

Negotiating, gaining and maintaining high-quality access in fieldwork plays an important role towards the conduct of a successful research. However, gaining this can be challenging and problematic because research is undertaken in complex social situations especially from an organisational perspective. Cunliffe and Alcadipani (2016:536) argue that many empirical research studies fail to give a detailed account of access because of the assumption that gaining access is contingent on having the right strategies and the ability of the researcher to maintain relationships during fieldwork. This linear and neutral assumption often lead many researchers to present a “sanitized and anodyne account of our research” by disregarding the uncertainties and complexities of conducting empirical research. It oversimplifies the entire research experience. Moreover, ignoring issues about access may result in the loss of rich empirical data as the experience of gaining and maintaining access is an important indicator of the practices, processes and power inherent in the organisations under study. This helps in providing a better understanding of the politics of knowledge production.

Although I could describe myself as an ‘insider’, I had little pre-existing contacts. As explained in Section 4.2.3.1, in the absence of a comprehensive database of NNGDOs, I found myself at the centre of an organisational politics with government officials, NNGDOs and network/coalition leaders. This organisational politics resulted in the process of endless bureaucracy. This lasted for about two and half months and greatly influenced and delayed the start of my research. I initially planned to start my piloting in August 2015 but ended up starting in mid-September 2015. Nonetheless, this was a great experience for me as I was able to learn the virtue of being patient especially when dealing with bureaucrats in organisational research. It also offered me deeper insights into power dynamics at play within organisational research especially between superiors and subordinates. I overcame this challenge by developing, nurturing and building relationships and trust with respondents but this proved to be very difficult at the initial stages of the research. As mentioned earlier, access to some government ministries and donor agencies was denied. In addition, NNGDO leaders were unwilling to disclose their annual budgets and audited financial statements despite several requests. Non-disclosure of information raises questions about NNGDOs’ accountability and transparency and reflects the chasm between what they self-report and ground level realities.

##### **Difficulty of making appointments**

I encountered challenges in making appointments with interviewees. During my fieldwork, I had to arrange meetings with respondents but it was difficult getting their response. I sent several emails and followed it up with phone calls but some organisations did not respond. In booking appointments, I had to reschedule several interviews on more than three occasions because respondents had to change their appointments at the ‘last minute’ due to work and family commitments. Some respondents also never showed up for interviews after making the necessary arrangements which was quite frustrating. Organisational leaders due to the increasing work pressures have little time for pro-bono activities. For this reason, all interviews were organised at the convenient time that was agreed by respondents. This notwithstanding, some respondents did not spend the stipulated time with me which led to shortened



interviews. In this regard, only salient questions were asked in order to make good use of the precious time allocated.

#### **4.6 Conclusion**

This chapter has argued the case for a critical realist ontology to mixed methods in NNGDO research. In terms of sampling design, I employed a mixed methods sequential explanatory design comprising three phases. The first phase explored general issues pertaining to the NNGDO sector with ten key informants. Emerging themes were used in developing a survey which was administered to 59 NNGDOs in phase two. The aim was to map variations in the different NNGDO types and also select a sample for qualitative research in phase three. Criteria sampling was used in selecting 32 NNGDOs in addition to 20 additional key informants including donor representatives, government officials and NNGDO experts for the qualitative research which offered an in-depth understanding of the quantitative results. Research instruments, data collection, analysis, ethical considerations and reflexivity were discussed.

## **Chapter Five: Non-governmental development organisations and civil society in Ghana**

### **5.0 Introduction**

The last chapter presented and discussed the methodology I used in this research. This chapter discusses the context in which this study is situated. The chapter has three main aims. First, I provide an understanding of the wider context within which NGOs operate, adapt and survive. This is characterised by a modest but significant economic growth, declining levels of poverty but widespread inequality and falling external development assistance. Second, I trace the development of NGOs and CSOs from a historical perspective. The rationale is to map the changes that have led to the growth and development of NGOs. Third, I provide an overview of the NNGDOs sampled in this study.

In tracing the development of the NGO sector, I do so with the understanding that context, including historical context and how it is remembered, play an important role in understanding NNGDOs' strategic behaviour. Central to the argument advanced in this chapter is that Ghana's aid landscape in terms of donor funding patterns and relationships with NNGDOs is changing significantly. This has far-reaching implications and has compelled NNGDOs to reposition themselves by adopting strategies to ensure their survival. Data are drawn from a review of available secondary literature in addition to survey and interviews from my fieldwork.

The chapter proceeds as follows. It begins with a brief discussion of Ghana's socio-economic and political context in Section 5.1. I examine Ghana's changing aid landscape in Section 5.2. Section 5.3 provides a historical overview of the emergence of NGOs in pre-structural adjustment, structural adjustment and post-structural adjustment eras. In section 5.4, I discuss the current state of NNGDOs including their nature and number, structure and governance, funding environment and inter-organisational relationships. Section 5.6 concludes.

### **5.1 Ghana in Context: Geographic and demographic characteristics**

Ghana is a democratic republic located on the west coast of Africa sharing borders with Burkina Faso to the North, Gulf of Guinea and the Atlantic Ocean to the South, Togo to the East and Cote d'Ivoire to the West (Figure 5.1). According to the 2010 Population and Housing Census, Ghana had a total population of about 24.6 million with an annual growth rate of 2.5%. However, this figure was estimated to have increased to about 28.3 million in 2016 with 50.9% and 49.1% being female and male respectively. In terms of population distribution, about 50.9% and 40.1% of Ghanaians are urban and rural dwellers respectively (GSS, 2013; 2016).

#### **5.1.1 Social characteristics**

Ghana suffers from a general infrastructural deficit where limited access to basic social services like education and health facilities is more pronounced in rural than urban areas. Moreover, there are relatively higher income and employment opportunities in urban than rural areas (Agyei et al., 2016). This notwithstanding, Ghana has achieved some remarkable progress with regard to human development over the last two decades. Ghana is a lower middle-income country (LMIC) with a medium Human Development Index value of 0.579 in 2016. Life expectancy at birth and adult literacy rate (aged 15 years and above) in 2015 stood at 61.5 years and 56.3% respectively (NDPC and UNDP, 2015; UNDP, 2016).

In Ghana, poverty abounds with 24.2% of the population living below the absolute poverty line of GH¢1,314.00 in 2012/2013. This figure indicates a further decline by 7.7 percentage points (i.e. from 31.9% to 24.2% between 2005/2006 and 2012/2013) in the level of national poverty (GSS, 2014a). This made Ghana the first SSA country to attain the Millennium Development Goal 1 of reducing extreme poverty and hunger (UNDP, 2015). Despite this, about 8.4% of Ghanaians are extremely poor and reflects

the regionalised character of the progress made towards poverty reduction. This has resulted in increasing levels of persistent inequality and polarisation across and within regions. For instance, McKay and Osei-Assibey (2017:289) report of an increasing income inequality despite a reduction in incidence of income poverty. They maintained that between 1988 and 2013, Ghana's Gini Index increased from 0.324 to 0.409, an indication that Ghana's economic growth has benefited the rich more than the poor.



**Figure 5.1:** Political map of Ghana with administrative regions.

**Source:** (United Nations, 2005).

### **5.1.2 Economic environment**

Economically, in 2016, Ghana recorded a Gross Domestic Product (GDP) of GH¢167,315 million with an annual GDP growth rate of 3.5% (GSS, 2017a). Economic growth trends in terms of real GDP recorded an increase from 7.9% to 15.0% between 2010 and 2011 compared to that of 4.0% recorded in 2009. This growth was backed by increase in export commodities including commercial oil and gas production which started in 2010. For example, exports from oil contributed to about 5.6 percentage points to Ghana's GDP in 2011. Oil receipts to government increased from US\$44.1 million to about US\$1.0 billion in 2014 (Fosu, 2017:140). However, oil GDP growth rates declined from 2016.4% in 2011 to 4.7% in 2014 (Aryeetey and Fenny, 2017:60).

Over the past few years, GDP growth rates have been on the decline from 15.0% to 3.5% between 2011 and 2016 respectively (GSS, 2017b). The economy's poor performance has been attributed to mismanagement (e.g. increased corruption and public sector inefficiencies), volatility in international markets and declining export commodities prices. As of September 2017, year-on-year inflation stood at 12.2% representing a decline of 5.0 percentage points from the 17.2% recorded in September 2016 (GSS, 2017b). In terms of sectoral growth, high labour absorption sectors including agriculture and manufacturing have witnessed slower growth in recent years. The services sector remains the largest contributor (56.5%) to GDP, followed by industrial (24.3%) and agricultural (3.0%) sectors (GSS, 2017a). The agriculture sector serves as a major source of livelihood as it employs about 44.3% of the economically active population while only 0.2% is currently employed in the NGDO sector (GSS, 2014b). In 2013, about 88.0% of Ghana's workforce were engaged in informal and vulnerable employment while the private and public sectors employed only 6.1% and 5.9% respectively (Baah-Boateng, 2017:300).

### **5.1.3 Political environment**

Politically, Ghana is the first SSA country to gain independence from British rule in 1957 and subsequently became a republic in 1960. At independence, Ghana was better off than many SSA countries and the level of economic development at the time was comparable to that of South Korea (Kim, 2015). The political landscape is made up of modern and traditional systems. The traditional system focuses on chieftaincy in governance at the community level. In terms of modern governance system, Ghana's political landscape was transformed by the 1992 Constitution and the adoption of multi-party democracy in 1993. This led to the establishment of the Fourth Republic (Debrah and Graham, 2015).

Since then, Ghana has experienced seven successful multi-party democratic elections, albeit dominated by two main political parties, the National Democratic Congress (NDC) and the New Patriotic Party (NPP). The political culture in Ghana, one could argue leans towards 'winner takes all' which breeds political antagonism. As part of the democratic and decentralisation process, Ghana practices a four-tier MMDAs local government system. The political history provides an interesting understanding of the emergence of CSOs. CSOs including NGDOs have played key roles in advocacy, service delivery as well as acting as watchdogs over the government. This has deepened their involvement in good governance and democratic process making the country an example of Africa's 'iconic democratisers'. However, at the same time, the country is faced with the challenge of improving democratic quality such as accountability and transparency to citizens (Gyimah-Boadi, 2015). For instance, corruption is endemic among government officials (Nyendu, 2017). I argue that increasing state corruption is due partly to the neopatrimonial nature of the Ghanaian state where informality creates opportunities for government officials to engage in collusive activities to further their interest. This is reinforced by weak governance structures. In the following section, I discuss the changing operating environment of NGDOs in terms of ODA landscape. These are caused by complex global and internal factors including Ghana's graduation to lower-middle-income status and subsequent shifts in donor priorities and relationships.

## 5.2 Ghana's official development assistance (ODA) landscape

The origin of ODA to Ghana dates back to the pre-independence era. However, ODA was largely in the form of loans rather than grant financing but this began to change especially after the 2000s (Kim, 2015:1340). This notwithstanding, Ghana has over the past 20 years been considered a 'donor darling' by some commentators making ODA to play significant roles in the country's development (Hughes, 2005; Adams and Atsu, 2014). For example, between 1995 and 2015, Ghana received about US\$31.8 billion of ODA (OECD, 2017a).

In terms of the aid architecture, Ghana receives general budget support (GBS), sector budget support (SBS) and project aid (Quartey et al., 2010). Traditional and non-traditional donors have historically supported Ghana's development<sup>7</sup>. Currently, coordination between non-traditional and traditional donors is challenging. However, the government through the Ghana Aid Policy and Strategy (2011-2015) is pushing for measures to ensure aid harmonisation (MOFEP, 2010). For traditional donors providing aid to Ghana, the World Bank remains the biggest contributor with International Development Association (IDA) being the country's single largest donor. ODA inflows to Ghana just like many SSA countries are volatile (Kumi et al., 2017). For example, between 2005 and 2009, Ghana experienced a substantial increase in ODA from US\$1.7 billion to US\$2.1 billion in nominal terms. However, it dwindled significantly from US\$1.8 billion to US\$1.1 billion between 2010 and 2014 following the graduation to LMIC. Nonetheless, in 2015, the country witnessed a steady increase in ODA inflows making it one of the top ten net disbursed ODA recipients in SSA (see Figure 5.2). Among the potential factors that might have accounted for an increase in ODA include the 2016 general election. Donor funding allocations tend to increase in the year before election (Briggs, 2012, 2015; Annen and Strickland, 2017). Briggs (2015:203) argues that changes in aid allocations are mostly driven by donor responses to events including elections in recipient countries. For example, prior to the 2012 general election, Ghana witnessed a slight increase in ODA from US\$1.8 million in 2011 to US\$1.9 in 2012 but it declined steadily afterwards until 2015 (see Figure 5.2). Election years in Ghana are characterised by increased government spending which results in expansionary budgets and fiscal deficits (Quartey et al., 2017; Obeng and Sakyi, 2017).

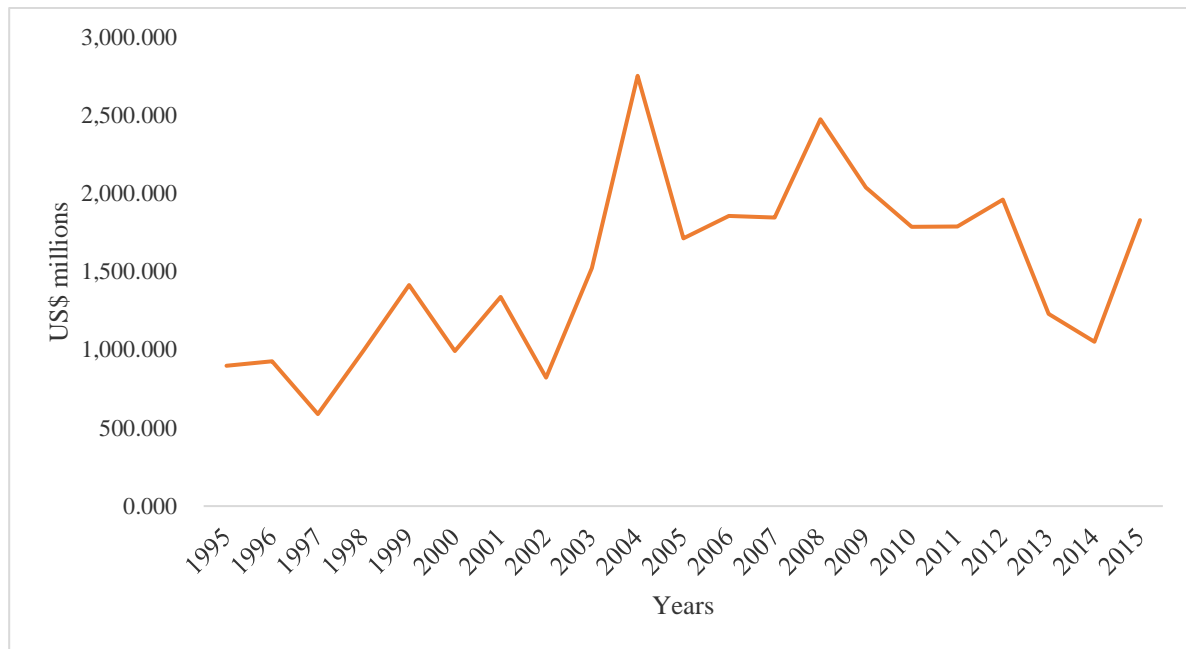
Composition wise, Ghana's ODA is categorised into: i) debt relief from Multilateral Debt Relief Initiative (MDRI) and the Heavily Indebted Poor Countries (HIPC) Initiative; ii) project support; iii) programme aid; and iv) balance of payment support from the International Monetary Fund (IMF) (Quartey et al., 2010: 20). Between 2003 and 2013, project aid constituted about 50.3% of ODA inflows while the percentage of programme aid (excluding debt relief) increased from 26.7% to 36.1% between 2010 and 2013 (NDPC and UNDP 2015:65). Nominal ODA recorded an average annual increase of 6.4% between 2006 and 2010 but dropped significantly by 26.0% in 2013. Ghana's reliance on external donor funding is reflected in its contribution to GDP. In 2009, net ODA accounted for about 6.1% of GDP but it declined

---

<sup>7</sup> I acknowledge that the presence of non-traditional donors especially China is rapidly changing Ghana's aid landscape, economy and relationship with government. However, empirical evidence from this research suggests that their support and engagement with CSOs including NNGDOs remains limited and have less potential to ensure their survival and sustainability. This is because non-traditional donors (e.g. China) deal directly with government. During my fieldwork, respondents reported that NNGDO-non-traditional donors' relationship was non-existent because they were not opened to working with them. Respondents explained that they were mostly interested in infrastructural development, mining activities and trade deals rather than building a stronger civil society. None of the NNGDOs reported having relationship or receiving any form of support from non-traditional donors (see Appendix 9). For this reason, I argue that the excitements about non-traditional donors especially China in Ghana has if any little opportunities for NNGDOs. The empirical findings indicate that the presence of China has not had any significant impact or shaped funding opportunity structure for NNGDOs in this research.

steadily to 3.0% in 2015 with a further decline projected in the coming years (Brown, 2017; OECD, 2017b; AfDB, 2017).

Some commentators argue that Ghana has transitioned from a highly donor dependent to an incipient dependency country (NDPC and UNDP, 2015). This has resulted in what I call ‘aid-free Ghana’ or ‘Ghana beyond aid’ rhetoric in recent years<sup>8</sup>. However, I contend that given the country’s poor economic performance, aid dependency and rising debt (total public debt to GDP stood at 73.9% in 2016), ODA will continue to be a major ‘political actor’ playing key roles in decision-making processes. As will be discussed in the next section, some government officials are even sceptical of the frothy talk of ‘aid-free Ghana’.



**Figure 5.2:** Official Development Assistance (Commitments) to Ghana between 1995 and 2015.

**Source:** Author’s calculation based on data extracted from OECD Creditor Reporting System in 2017.

<sup>8</sup> As part of programmes marking Ghana’s 60<sup>th</sup> years of independence, the president Nana Addo Dankwa Akufo-Addo has been embarking on campaigns to move ‘Ghana beyond aid’ by arguing that “we need to, and we shall move Africa beyond aid. We no longer want to offer the justification for those who want to be rude and abusive about Africa and her peoples. It is time to build our economies that are not dependent on charity and handouts... We have learnt from long and bitter experience that, no matter how generous the charity, we would, and, indeed, we have remained poor” (Royal African Society, 2017). Recently, the president has been advocating for “a Ghana that will free itself from a mindset of dependence, of charity, of aid and handouts. The Ghana that is going to mobilise its own resources to develop and confront its own problems” (Government of Ghana, 2017a: para 1). Against this backdrop, ‘Ghana beyond aid’ has generated a lot of attention among policy makers, politicians, academics and mainstream media outlets. This has resulted in the drafting of the ‘Ghana beyond aid’ policy strategy and the organisation of conferences (e.g. Ghana beyond aid: Moving forward together) between the Government of Ghana (GOG) and development partners (DPs) to discuss ways of ensuring Ghana’s transition from aid dependence to beyond aid (Government of Ghana, 2017b). This forms part of the government’s commitments towards the Compact signed between the GOG and DPs in 2012.

### 5.2.1 Changing aid landscape and its implications

Ghana's changing aid landscape and subsequent decline in donor support is partly due to the attainment of LMIC status on 5<sup>th</sup> November 2010 with a per capital income of about US\$1,305. This was caused by the rebasing of GDP (60% adjustment) which resulted in a GDP of GH¢44.8 billion compared to the initial estimate of GH¢25.6 billion (Jerven and Ebo-Duncan, 2012). The LMIC tag has pushed the country above the eligibility criteria for concessional loans from IDA. The graduation is associated with expectation of a decreasing flow of ODA (Moss and Majerowicz, 2012; Brown, 2017; Kumi, 2017a). However, it is worth mentioning that ODA inflow has not ceased completely although in nominal terms, there has been a steady decline. The poverty problems in Ghana are the strongest argument for receiving ODA. However, donors representatives interviewed argued that in an era of fiscal austerity, supporting a LMIC would be a challenge. Factors accounting for this trend include sustained political stability and democratic environment, development partner's confidence in the country and efforts to promote aid effectiveness through national ownership (Donor 1, 3, 4).

In recent years, Ghana's aid landscape in terms of donor funding and relationship with the central government is changing significantly. The landscape is being re-shaped by external and internal factors including global economic crises, reduced funding and shifting priorities of donors, presence of new development actors especially China in addition to national level events and processes. National level factors include the graduation to LMIC status and the Compact signed between the GOG and DPs in 2012<sup>9</sup>. The Compact is to ensure the effective and strategic use of ODA in supporting medium-term development in a time of dwindling ODA. In addition, Ghana becoming an 'aid-free' country is a key priority. Government is therefore expected to make substantial investments in priority areas including poverty reduction, inequality and the provision of strategic infrastructure (GOG, 2012:10-12). However, one might argue that government's commitment to this agreement will become known in a matter of time.

Another factor responsible for the 'new' landscape relates to rising levels of government revenue caused by trade with China, debt financing through the issuance of Sovereign Bonds and domestic revenue mobilisation especially from commercial oil production which has given much disposable income to government (MOFEP, 2014; Fosu, 2017). This some commentators argue has led to a declining need for ODA (Zeith, 2015). However, such an assumption remains questionable given that donor funding represents an important source of revenue for government due to the structural imbalances in the economy.

---

<sup>9</sup> The 2012-2022 Compact for Leveraging Partnerships for Shared Growth and Development is an agreement signed between the GOG and fifteen DPs on 21st June 2012. The aim of the Compact is to put in place strategies for ensuring the effective and strategic use of ODA to promote Ghana's medium and long-term development priorities following its transition into lower-middle-income status. For example, the country is currently preparing a 40-year national development plan (2018-2057). Again, the Compact serves as the guiding framework for the relationship between the GOG and DPs based largely on the Ghana Shared Growth and Development Agenda (GSGDA) 2010-2013 and Ghana Aid Policy and Strategy (GAPS) 2011-2015. The Compact is informed by the principles of the Aid Effectiveness Agenda as specified in the High Level Forums including the Paris Declaration on Aid Effectiveness (PDAE) in 2005, the Accra Agenda for Action (AAA) in 2008 and the Busan Partnership for Effective Development Cooperation in 2011. More importantly, the Compact focuses on the changing context of Ghana's aid landscape by serving as the guiding principle for the disbursement of ODA, other development assistance and cooperation with DPs. The objective is to help Ghana transform into an established middle-income country that is less dependent on external donor funding (GOG, 2012). Among the strategies for reducing Ghana's aid dependency include: "(i) gradually assuming full financial responsibility for investing in accelerated development to reduce poverty and inequality; (ii) developing a plan for a phased transformation of ODA and other forms of development finance and cooperation, specifying the projected volumes of development financing which the country can expect, projected time-lines, and outlining the role of ODA and other sources of financing; iii) promoting diversified trade, investment and regional integration; and iv) rightsizing the public sector" (GOG, 2012:5).

In this regard, government officials at the Ministry of Finance (MOF) interviewed reported the need for DPs to still support Ghana because any abrupt withdrawal of ODA is likely to affect progress made towards sustained efforts to reduce poverty. One government official stated as follows:

Donor support is still very relevant because there is a huge social gap that needs to be taken care of. In the Compact, donors are saying that by 2020, Ghana should move beyond aid. It is definitely not possible. I think we will need a hand to support us if we like it or not especially in an economy like ours (Key Informant 10).

During interview, four donor representatives explained that Ghana's LMIC was a major factor that accounted for the reduction of their support because of the difficulty involved in justifying the provision of development assistance to the country. For instance, one representative indicated that "Donor 3 is more poverty inclined so there will not be any strong justification for continuous support when a country declares itself as LMIC". This statement was confirmed by government officials who argued that Ghana's transition to LMIC status has made it difficult in accessing concessional loans, grants and even technical support. Despite Ghana's attainment of LMIC status, more than half of key informants and NNGDO leaders indicated that the noteworthy progress in economic growth has not translated into improved human development. However, donors have used the LMIC tag as justification for reducing their support to the country and NNGDOs in particular.

The effect was that several DPs were in the process of exiting to other strategically important countries while others were redefining their development cooperation strategies in the country. Donor 1 for example, had scaled up its political and commercial cooperation while development cooperation had been downscaled after 2014 due to Ghana's LMIC status. Investment and financial flows was expected to outpace development aid. In an interview, a donor representative explained how Ghana's LMIC status had influenced their development cooperation:

Donor 1 is phasing out of development cooperation in Ghana because of your LMIC status. You know, Donor 1 is mainly targeting very poor countries. In addition, we are phasing out to go into fully-fledged commercial cooperation, so that is Donor 1's future in Ghana. We are still in governance programme but we are phasing out of health this year [2016]. So that means NGOs' support will also cease (Donor 1).

Another effect of Ghana's LMIC status is the decline in multi-donor budget support (MDBS) and general budget support (GBS). Data gathered from the MOF indicates that MDBS components of grants and loans had decreased significantly between 2010 and 2014 (Table 5.1). Reduced levels of MDBS affect the country because donor resources have been a major source of government revenue especially during the current period of economic volatility.

**Table 5.1:** MDBS to Ghana between 2005 and 2014 (US\$ million)

Year/MDBS	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Grants (MDBS)	109.7	151.7	194.3	213.0	276.9	204.5	163.0	138.0	72.1	42.8
Loans (MDBS)	172.1	194.9	148.6	173.8	236.7	183.3	290.4	225.1	14.3	0.4

**Source:** Author's calculation based on information from MOF.

The decline in MDBS is a reflection of donors' perception of its failure to live up to expectation. During interviews, government officials and donor representatives emphasised reduced donor commitment as the underlying reason for the decline of MDBS and GBS. Although they recognised that the provision of GBS was to ensure aid effectiveness through harmonisation and coordination, Ghana's LMIC status created difficulty in justifying the provision of GBS. During interview, a donor representative explained:



We have stopped providing GBS for the country. Ghana's status as a LMIC makes it difficult to justify the need for supporting GBS. You cannot justify why you will use donor money to support general budget (Donor 3).

The reduced donor support is raising concerns among government officials that Ghana could become an 'aid orphan' where DPs especially traditional donors could slow down their support, abandon the country and also restrict debt relief. This could have dire consequences on the economy. Nonetheless, I acknowledge that foreign inflows can have negative effects including an appreciation of real exchange rate through domestic inflation and the crowding out of private sector investments (Younger, 1992). In the next section, I provide a historical overview of Ghana's NGDOs and civil society sector in order to understand the context of NGDO-donor relationships and their subsequent dependence on donor resources.

### **5.3 Historical overview of NGDOs and civil society in Ghana**

#### **5.3.1 NGDOs and civil society in pre-structural adjustment**

The emergence of civil society in Ghana is closely linked to the country's political history including the pre-colonial period and the present day democratic era. Ghana's attainment of independence was partly due to pressures mounted by alienated interest groups on the colonial government which resulted in political concession. For example, Amoako (2008) argues that, in 1893, the Aborigines Rights Protection Society which consisted of chiefs, youth and intelligentsia mobilised and opposed colonial rule and policies in pre-independence Gold Coast. The political landscape was characterised by fragmentation of power due partly to coup d'états and a deeper characteristics of the evolving political culture at the time. For example between 1957 and 1983, nine changes of government and six coup d'états were experienced. These authoritarian regimes suppressed CSOs and their activities and in some cases turned them into 'party machinery'. By doing so, the government uses co-option of civil society as a weapon for disarming any opposition to its dominating powers (Gary, 1996).

During the late 1970s and early 1980s, Ghana experienced economic recession. This prompted reactions by urban elites who formed CSOs to advocate for improvement in socio-economic conditions (Chazan, 1983). For example, the Ghana Bar Association and other CSOs played an active role in serving as counter-hegemonic force against the state in the abolition of the 'Union Government' (Unigov) (i.e. power sharing government) by the Supreme Military Council (Debrah and Graham, 2015). CSOs through their struggle with military and authoritarian regimes were perceived as 'enemies of the state'. State-civil society relationship was characterised by suspicion and mistrust. The political climate at the time was repressive towards civil society making them to operate on a narrow space. In spite of this, some pro-government social groups including para-statal and militia-based organisations (e.g. People's and Workers' Defence Committees) emerged during this period (Gyimah-Boadi, 1990). Later, some of these groups (e.g. 31<sup>st</sup> December Women's Movement) were turned into NGDOs as part of Provisional National Defence Council's (PNDC) propaganda especially in the 1990s.

#### **5.3.2 NGDOs in structural adjustment era**

The PNDC government inherited an economy that was nearing bankruptcy. This was a result of the wider economic crisis experienced in many African countries at the time. Confronted with the challenge (e.g. declining export prices) and the failed attempts to secure aid from the eastern bloc, Rawlings turned to the IMF and the World Bank for assistance in addressing the economic woes that had engulfed the country. Against this backdrop, Ghana adopted the Structural Adjustment Programme (SAP) in mid-1983 with its conditionalities. As part of the wider SAP, the Economic Recovery Programme (ERP) was implemented. According to Gary (1996:155), over US\$8.0 billion was disbursed in the first seven years of ERP's implementation. During the era of adjustment, the country became a 'donor success story'.

However, this was short-lived and the austerity measures of ERP had detrimental effects on Ghanaians (Hughes, 2005; Opoku, 2010).

Informed by the hardships at the time, the government in 1987 adopted the Programme of Action to Mitigate the Social Costs of Adjustment (PAMSCAD) to lessen the effects of SAP through the implementation of 23 poverty reduction programmes (Gary, 1996; Alikhan et al., 2007). As part of the wider 'adjustment with a human face', NGOs were given the mandate to fill in the 'development void' that had been created by the ERP. Hutchful (2002) suggests that NGOs' involvement in service provision was initiated by donors rather than the PNDC government. It was on the premise that government had limited capacity. Even though NGOs' assistance was sought, their involvement was at the implementation rather than planning stages. Gary (1996:158) notes that the role of NGOs in PAMSCAD was to serve as "the 'hands' carrying out charity work, while the 'head' work was the domain of the multilateral development banks, international donors and, to some extent, the government". For this reason, NGOs played an important service delivery role during PAMSCAD by serving as partners of government's initiatives such as the food-for-work programme implemented in Northern Ghana (Gayi, 1991). During the neoliberal era, NGOs became targeted as 'articles of faith' for delivering development (Bebbington et al., 2008). This is not to suggest that the emergence of Ghanaian NGOs is restricted to the 1980s and 1990s. While acknowledging that NGOs have existed since the colonial era with strong emphasis on missionary and charity roles, their growth was in response to the rolling back of the state under SAPs. Donor preference for NGOs perhaps reached its peak during PAMSCAD.

### **5.3.3 NGOs in post-structural adjustment**

The collaboration between the PNDC administration and Bretton Woods Institutions created space for the engagement of civil society. Through such engagement, efforts were made towards the liberalisation of the Ghanaian political space through the promotion of democratic reforms such as the adoption of the 1992 Constitution and subsequent multi-party democracy in 1993. The 'complete metamorphosis' of the political landscape opened up space for the engagement of civil society. During this period, donor agencies supported NGOs in an effort to stimulate the process of democratisation. This was influenced by the view that democracy thrives under vibrant and active civil society. The reasons are that first, it serves as a countervailing power to the state. Second, it integrates the poor and marginalised into the market. Third, it educates and promotes ideals of democracy and good governance such as human rights (Copestake, 1996). This reflects the wider uncritical celebration of NGOs as bulwarks with the power to overcome undemocratic regimes in Africa.

In the light of this, donor funds were channelled through NGOs as part of the wider NPA. This created an opportunity for political activists who were forced into exile during the military regime to engage in the establishment of advocacy and pro-democracy organisations (Yarrow, 2011). Ghanaian NGOs who played peripheral roles became known as 'instruments of democratisation' through the promotion of good governance. The liberal discourse and its associated democratic dispensation opened an avenue for government to engage with NGOs in economic, social and governance programmes through partnership. They began to play advocacy, oversight and service delivery functions in partnership with government agencies (Alikhan et al., 2007). Their role especially in service delivery and advocacy in recent years complements government's efforts in promoting development. For instance, CSOs including NGOs have been advocating for transparency and accountability in the management of Ghana's oil (Debrah and Graham, 2015). In what follows, I examine the current nature of the NGO sector in Ghana in order to situate the discussion in a context. In doing so, I provide a quantitative descriptive information on 59 NGOs sampled in this research.

## 5.4 NNGDO landscape in Ghana

### 5.4.1 Nature and numbers

In Ghana, the current NGDO sector reflects rapid and unprecedented growth in the past three decades. This rapid growth is a result of a favourable enabling environment. In general, comprehensive data on the precise number of NGDOs in Ghana is lacking. However, data gathered from the DSW as of May 2016 puts the number of total registered NGDOs at 6,520. Out of this, national and international NGDOs were 6,370 and 150 respectively. The annual average number of registered NGDOs was 277. Of the 6,520 registered NGDOs, only 1,952 were considered active on regular basis because they had renewed their year-on-year certificate with the DSW. However, during my fieldwork, I found that many NNGDOs had not renewed their certificates but were operating.

Respondents explained that the lack of registration and renewal of certificate was partly due to the centralisation of the registration process which creates bureaucracy and makes the process cumbersome. According to an official at the DSW, the registration process for NNGDOs takes about four weeks as part of their due diligence mechanisms to ascertain organisational information including sources of funding and orientation (Key Informant 8). For this reason, the actual number of NNGDOs might be more than the official figures reported by DSW. In addition, although a two part-registration process exists, many fail to do so by not obtaining a certificate of recognition from the DSW. They only obtain a business certificate from the RGD. According to two senior officials at the DSW, they could not do much to ensure compliance in the absence of a legal framework for regulating the sector<sup>10</sup>. The inability of the DSW to properly regulate the sector was attributed to inadequate resources and lack of political will by successive governments.

### 5.4.2 Main sectors of operation

NNGDOs were active in all sectors of the Ghanaian economy with their activities reflecting specific national and community needs. The operational areas include advocacy, public policy analysis and service provision and delivery. Table 5.2 presents the distribution of NNGDOs' programme interventions. About 23 (39.0%) operated in health, education and agriculture sectors at the same time. Specialists NNGDOs in health, education and agricultural sectors represented 6.8%, 8.5% and 6.8% respectively. The results revealed that many NNGDOs operated and implemented projects and programmes in multiple sectors with their activities reflecting specific community and national needs. There were regional variations among sampled NNGDOs. Large NNGDOs especially in Accra focused on thematic areas like advocacy with the aim of influencing national policies while regional and district-based NNGDOs had interest in service delivery. Although some large NNGDOs engaged in service delivery, it was limited to some extent.

**Table 5.2:** Programme intervention areas for sampled NNGDOs (n=59)

Sectors	Number of NNGDOs	Percentage
Agriculture only	4	6.8
Health only	4	6.8
Education only	5	8.5
Agriculture and Health	5	8.5
Agriculture and Education	4	6.8
Health and Education	9	15.3

<sup>10</sup> There have been attempts in the past to regulate NGDOs through the introduction of bills including the Draft NGO Bill (1993), the Draft National Policy for Strategic Partnership and the Trust and Non-Profit Making Civil Society Organizations Bill 2007. These bills have been met with fierce protest and criticisms by CSOs on grounds of lack of involvement and ownership of the regulatory process.

Agriculture, Health and Education	23	39.0
Agriculture and Women's Empowerment	1	1.7
Health, Education, Agriculture and Sanitation	1	1.7
Education and Governance	1	1.7
Health, Education and Governance	2	3.4
<b>Total</b>	<b>59</b>	<b>100</b>
<b>Total by Sectors</b>		
Agriculture	38	64.5
Health	44	74.7
Education	45	76.3
Governance	3	5.1
Sanitation	1	1.7
Women's Empowerment	1	1.7

**Source:** Field survey, 2016

#### 5.4.3 Geographic location and distribution

In terms of geographical scope, many NNGDOs were located at the national, regional and district level. They focused on strategic national issues and operated across the country. National level NNGDOs tend to be urban and elite-based compared to their district and regional-based counterparts. The geographic distribution of NNGDOs sampled is presented in Table 5.3. Results indicate that about 26 (44.0 %) operated solely in the Northern Region while six (10.1 %) operated in all the ten regions of Ghana. A majority (49.2%) were regional-based and had their activities spread between one to five districts. They did not restrict their programmes to specific regions or districts. For example, about 13.6% operated in more than 20 MMDAs.

**Table 5.3:** Regions of programme intervention for sampled NNGDOs (n=59)

Regions	Stated Regions only	Stated Region plus other regions	Total	Percentage %
Northern only	26	-	26	44.0
Upper West only	6	-	6	10.1
Greater Accra only	7	-	7	11.8
Northern and Upper West	8	-	8	13.5
Northern and Greater Accra	1	-	1	1.6
Upper West and Greater Accra	-	-	-	-
Northern, Upper West and Greater Accra	-	-	-	-
All ten regions	-	6	-	10.1
<b>Total by Region</b>				
Northern Region	35	-		
Upper West	14	-		
Greater Accra	8	5		
All ten regions	6	-		

**Source:** Field survey, 2016

The location decision of more than 60% of NNGDOs was influenced in part by extreme needs, goal congruence and resource dependency. The field operation of many NNGDOs took place in Northern Ghana due to high poverty and deprivation. For this reason, Tamale, the capital of the Northern Region is considered the 'NGDO headquarters of Ghana'. For instance, it is rare to walk through virtually any

street in Gumani and Jisonayili both suburbs of Tamale without finding an NGDO signpost. Their presence in these areas can be described as saturated (Figure 5.3).



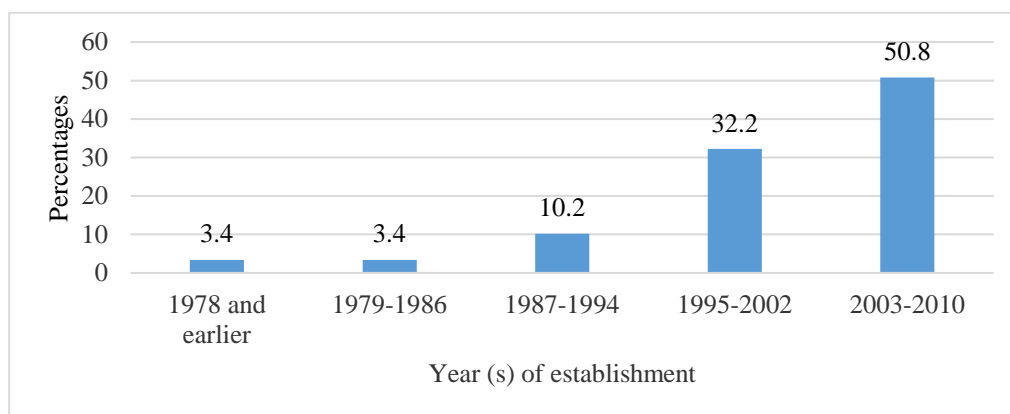
**Figure 5.3:** High presence of NGDOs on the Gumani Road in Tamale.

**Source:** Author, September 2015.

## 5.5 Structure and Governance

### 5.5.1 Year of establishment

For NNGDOs' age, 30 (50.8%) were established between 2003 and 2010 while only 2 (3.4%) were established in 1979 or earlier (Figure 5.4). The results show that the majority had been in operation for less than 20 years. The oldest organisation was established in 1975 with the youngest dating from 2009. The median and average establishment ages were 2002 and 2000 respectively. The results reflect the boom in the NNGDO sector experienced in Ghana in recent years.



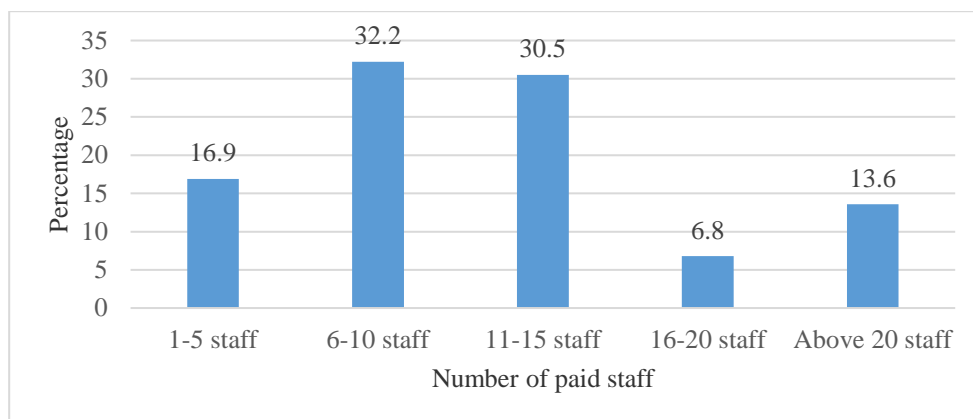
**Figure 5.4:** Years of establishment of sampled NNGDOs (n=59)

### 5.5.2 Organisational size

#### NNGDO staff size

I measured staff size by the number of self-reported paid staff and volunteers. The rationale for using this measure was that about 46 (77.9%) NNGDOs depended on the services of volunteers at the organisational and community level. Figure 5.5 presents the result of the distribution of paid staff. About 32.2% of NNGDOs operated on a staff strength of between 6-10 employees. The minimum and maximum number of paid staff was 2 and 85 employees respectively with an average of 12 employees per organisation. This suggests that many were small and medium-sized with a few being large in nature. The total number of paid staff was 711 across the 59 NNGDOs.

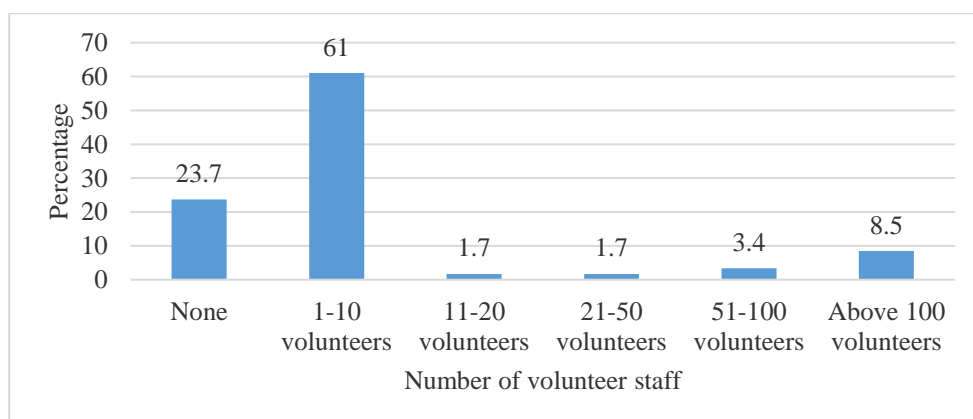
Many respondents reported employing staff on project basis with a few management members as core staff. Paid staff consisted of senior management, field (e.g. monitoring and evaluation officers) and support employees (e.g. secretaries, security personnel and cleaners). Survey results indicated that about 40.4% (23) had senior management of 3 staff while 7.0% (4) had above 5 management staff. In most NNGDOs, the executive director was a member of the management team and board of directors. About 58 (98.3 %) NNGDOs had at least one paid staff having a university degree.



**Figure 5.5:** Number of paid staff employed by NNGDOs (n=59)

### 5.5.3 Volunteer support

Survey results indicate that 36 (61.0%) NNGDOs relied on volunteer contributions (Figure 5.6). The minimum and maximum number of volunteers was 1 and 250 respectively with an average of 16 volunteers. They comprised of international, community and stipend volunteers (national service personnel and student interns). About eight (13.6 %) NNGDOs had more volunteers than paid staff. Survey results suggest that the use of community volunteers who were mostly ‘unprofessional’ was common among small and medium-sized NGOs compared to their well-established counterparts who relied more on ‘professional volunteers’ like senior academics and recent graduates in proposal writing and research. Professional volunteers undertook organisational management tasks compared to community volunteers who served as frontline workers involved in direct project implementation through community mobilisation. Organisational membership was framed in citizen participation where community members had the right to join any organisation but was dependent on factors including the type of NNGDO and their activities. Small and medium-sized NNGDOs at the district levels had open membership while well-established and large NNGDOs restricted membership participation.



**Figure 5.6:** Number of volunteers employed by NNGDOs (n=59)

#### **5.5.4 Board of directors**

Board of directors played governance and management roles in terms of NNGDOs' mission and strategic direction. About 58 (98.1%) had board of directors because it was a mandatory requirement under the Companies Code 1963 (Act 179). However, about half of the board of directors were non-functional although they were supposed to help in governance processes. Board members were mostly set up for funding and registration purposes and sometimes acted as cheque signatories. Thirty (51.7%) NNGDOs had board of directors with more than 5 members while only 3 NNGDOs had 3 board members.

The average number of board members was 4 with a range of 3 to 8. Results indicate that 26 (45.6%) NNGDOs appointed board members through consultation with stakeholders while 13 (22.8%) relied solely on their executive director. Respondents reported that competitive election was discouraged because it could result in division and disagreement. More than 80% of NNGDOs had their executive director as the chair of the board of directors or trustees. Some family members and close friends of executive directors acted as members of the board of directors or trustees. This blurred the extent to which these NNGDOs could be considered as 'family businesses' because of the difficulty involved in separating their governance and management from family affairs.

About 45.8% and 6.8% of board members met quarterly and annually respectively. Board members were appointed based on their level of expertise and status in the communities in which NNGDOs operated. More than one-third of NNGDOs indicated that given the changing nature of their operating environment, it was crucial for them to appoint knowledgeable board members who understood the terrain and had strong personnel connections in helping them raise the needed amount of resources. About 24 (41.4%) NNGDOs indicated that their board members performed advisory and decision-making roles while 20 (34.5%) performed both advisory roles and ensured that efficient management systems were in place. Respondents reported that some board members provided valuable support including networking, capacity building and funding from their own pocket to support their programmes. In general, internal governance structure among NNGDOs could be described as problematic. This was because strategic management for leadership planning was poorly understood.

#### **5.6 NNGDO funding landscape and sources of funding**

The NNGDO funding environment is complex and highly donor dependent. In order to explain and understand the funding environment, it is important to sketch its contours and paradoxes. In Ghana, NNGDOs can secure funding from any legitimate source without restriction and interference from the GOG. There are no restrictions on foreign funded NNGDOs except that they must adhere to the guidelines in the Anti-Money Laundering Act, 2008 (Act 749). In addition, as mentioned earlier, the rise of non-traditional donors has not significantly influenced funding structure of NNGDOs. They mobilise external and domestic resources. The bulk of NNGDOs' funding (i.e. between 80-90%) was from traditional external donors (Appendix 9). In the following section, I provide an overview of donor funding for NNGDOs.

##### **5.6.1 Donor funding landscape**

Donor-NNGDO relationship in Ghana is supply-led and highly resource dependent. Over the years, substantial amount of external donor funds have been channelled to and through NGDOs (national and international). For example, between 2005 and 2015, an amount of US\$1.26 billion was channelled through NGDOs and CSOs (OECD, 2017a). Interestingly, although the amount of ODA at the country level as explained in Section 5.2 has been declining more especially since 2010, the aggregate data on ODA channelled through NGDOs is somewhat different. Between 2010 and 2015, the amount of ODA to NGDOs and CSOs had witnessed a drastic increase on year-to-year basis. For example, ODA increased from US\$78.0 million to US\$216.6 million between 2010 and 2015 respectively (OECD, 2017a).

However, the data fails to reveal the distribution of funding going to INGDOs and NNGDOs. It does not show whether NNGDOs are receiving more funding indirectly from INGDOs through their sub-contracting roles or not. The lack of comprehensive database and the non-disclosure of financial information make it difficult in understanding patterns in funding allocations. Notwithstanding, key informants and NNGDO leaders explained that many INGDOs were increasingly implementing their own programmes and projects directly rather than outsourcing them to NNGDOs which had reduced their funding levels (Donor 6, 7, 8; Key Informant 8, 9, 10).

### **5.6.2 Donor shifting priorities**

This section focuses on changes in donor priorities in NNGDOs' funding environment following Ghana's graduation to lower-middle-income status. While acknowledging that changing donor priority is not new, I argue that a significant shift in the funding landscape took place especially after 2010 following Ghana's graduation to lower-middle income status. Consequently, key bilateral and multilateral donors for NNGDOs (e.g. DFID, DANIDA, EU and USAID) have become inclined towards multi-donor pooled funding mechanisms, consortia and shifts from service delivery to social accountability or advocacy programmes<sup>11</sup>. This has reshaped NNGDOs' funding landscape. However, the discussion focuses on pooled funding mechanisms rather than consortia and shifts from service delivery to social accountability. These issues will be discussed in detail in chapters six and seven (see Section 6.4.2 and 7.2). I acknowledge that donor shifting priorities is not specific to Ghana because it is inherent in the broader global context of the 'new aid landscape'. However, I seek to locate the discussion to shifts in donor funding arrangements to NNGDOs since 2010 by highlighting that pooled funding mechanisms is part of the wider donor agenda for aid effectiveness promises of harmonisation, ownership and co-ordination. I suggest that these changes in donors' funding priorities have created uncertainty in the funding environment which is discussed below.

A recurrent theme during interview was that donors kept revising and changing their priority areas based on their own strategic, national and political interests. Changing donor funding patterns was reported by respondents as the major threat to their survival because of their over dependency which makes them financially vulnerable. During interview, one Executive Director explained how shifting donor priority is affecting her organisational survival:

The main challenge facing NGOs currently is changing donor priority and funding mechanisms. The approach used by donors has changed. Due to the changing trends we're experiencing, it is taking local NGOs out of our driving seat. Now, donors are in the driving seat and you have to go according to their plans, otherwise you will not get funding (NNGDO 8).

Another respondent added:

Their areas of concentration are constantly shifting, so it is raising some questions about the sustainability of donor funding. Now donors prefer to channel their funds directly to INGOs instead of giving it to local NGOs. In addition, they have started pooling funds together unlike first where you could approach them

---

<sup>11</sup> It is important to clarify that while Ghana has witnessed the implementation of multi-donor pooled funding mechanisms such as BUSAC (2004-2010), Ghana Research and Advocacy Programme (G-RAP) (2005-2011), Kasa Initiative (2008-2010), Civil Society Governance Fund (2004-2010) and STAR-Ghana (I and II) (2010-2020), the discussion focuses on the pooled-funding mechanism which was active at the time of data collection.



directly. They have changed the board game and that makes it more stringent and difficult process (NNGDO 7).

Changing donor priorities created uncertainty in the operating environment of NNGDOs and had left many in tight situation in determining their next line of action. Changing priorities was attributed to Ghana's LMIC status. More than half of respondents in the qualitative research emphasised that Ghana's economic status provided the incentive for donors to shift their focus especially in sectors such as education and health. A key informant with expertise in grants acquisition and management offered this perspective on shifting donor priorities and how it affected sections of NNGDOs as illustrated by the following quotation:

In general, donors are constantly shifting their priority areas. Now the EU is looking at food security and livelihood, so if you don't belong to some of these sectors, you tend to feel the pressure more. For example, education some time ago had some significance but now, funding is mostly one-off (Key Informant 4). Directly linked to the above is shifts in funding mechanisms. During interviews, three donor representatives indicated changing their grants modalities for NNGDOs where direct funding was closely ending. The disbursement practices of key donor agencies that had supported NNGDOs for more than two decades had shifted towards multi-donor basket funding. Pooled funding mechanisms had become the main source of support for NNGDOs where donors combine their financial contributions in supporting specific thematic issues. Typical examples mentioned by respondents include Ghana Research and Advocacy Programme (G-RAP), Kasa Initiative and STAR-Ghana. However, a major concern raised by more than half of NNGDO respondents about multi-donor pooled funding was that the funding criteria were stringent. One respondent described it as "strict eligibility and marking scheme for proposals". Despite the perceived strict funding criteria, some respondents explained that it brought funding closer and made it more accessible. For example, one Executive Director of a medium-sized NNGDO in Tamale said that:

It brings the funds closer to us and the closer it is to you, the easier it becomes because it is managed by an in-country team. The guides and documents they produce are tailored for the country (NNGDO 28).

However, pooled funding mechanisms limit the number of organisations that benefitted from donor funding because it focuses on specific issues that serves the strategic interests of donors. Changes in donors' own policies reduce their support and commitments to pooled funding mechanisms. For example, USAID supported STAR 1 (2010-2015) but withdrew its funding in STAR 2 (2015-2020) due to cuts in spending. This affected the level of support given to STAR-Ghana and the number of beneficiary NNGDOs. This contrasts sharply with claims by three multilateral and bilateral donor representatives that pooled funding promotes equity in the distribution of their resources because it is a national funding scheme. In explaining how reduction in donor support affected the grant making ability of STAR-Ghana, a donor representative pointed out that in 2012, they committed about US\$ 5.0 million to support election call but this was reduced to US\$ 2.0 million for the 2016 election. Multi-donor pooled funding although helped in strengthening NNGDOs' learning capacity, nonetheless, there was a perceptible feeling among more than half of NNGDO respondents that it favoured large and well-established organisations to the neglect of small and medium-sized NNGDOs. This was because of perceived lack of institutional capacity and inability to meet the "marking scheme".

The tendency for favouring big NNGDOs was attributed largely to the need for results and also donors' obsession with financial risk. This issue was echoed by donor representatives during interviews. One representative described how their emphasis on results and financial risks often consciously or unconsciously perpetuated discrimination against small NNGDOs in the application process as follows:

We want proposals that at the end of the day can show results and because of that, the bigger NGOs may either have qualified personnel or resources to hire a consultant whereas the smaller ones don't. The other thing is that our donors indicate that they have a zero appetite for financial risk. So all our systems are also geared towards that not even GH¢1 gets misappropriated. So some of the requirements do not favour smaller NGOs (Donor 2).

Another issue raised by respondents concerning pooled-funding mechanisms was the limited nature of their thematic areas of funding. Although four donor representatives claimed that their selection of thematic priorities was informed by a political economy analysis that involved stakeholder consultation as part of efforts to create national ownership, majority of NNGDO respondents constantly emphasised that it was largely “window dressing and cosmetic in nature” (NNGDO 21). The reason given was that selection of thematic priorities was donor- led rather than addressing specifically the pressing needs of NNGDOs and their intended beneficiaries. For this reason, respondents often questioned their ownership of sector priorities. In addition, there was also perceived lack of proper monitoring of beneficiary NNGDOs because of the lack of needed human resources. A donor representative for example stated that “we need additional hands and sometimes we don't have the money for those things” (Donor 3). Many beneficiary NNGDOs explained that donors were only interested in checking their documentations. For instance, one respondents explained that “I think we are just polishing information for them because they don't even have the needed staff that can go through our reports and tell us to do the right thing” (NNGDO 30). In sum, shifting donor priorities towards pooled funding mechanisms are aimed at enhancing aid effectiveness principles of alignment, harmonisation, ownership, managing for results and mutual accountability. For instance, donors aim to avoid duplication of their efforts and also promote national ownership by making STAR-Ghana a wholly Ghanaian funding organisation or endowment fund for NGOs and CSOs. However, while pooled funding mechanisms are becoming prevalent in the funding landscape, they have created uncertainty for many NNGDOs highly dependent on external donor funding. In the next section, I present the findings on income mobility matrix.

### **5.7 NNGDO income mobility between 2010 and 2015**

The selected NNGDOs (coded N1-N59) supplied data on their income at current prices for each year within five income bands in Ghana Cedis (GH¢) (Appendix 8). These bands are shown in columns 1 and 2 of Table 5.4. Inflation meant that it was easier for NNGDOs to achieve higher income categories at the end of the period than at the beginning. For example, a nominal income of GH¢20,000 in 2011 was equivalent to an income of GH¢34,940 in 2015 prices<sup>12</sup>. Columns 4 and 5 of Table 5.4 show all the income boundaries for 2011 inflated to reflect 2015 prices using the Ghana CPI Index. Appendix 8 also set out the methodology for deflating the income bands. This indicates that an NNGDO classified in income Category 1 in 2011 in nominal terms should be reclassified in real terms as belonging to Categories 1 or 2.

---

<sup>12</sup> Between September 2015 and January 2016, the average interbank exchange rate was US\$1.0= GH¢3.80.

**Table 5.4:** Adjustment of income categories to reflect inflation

2011 Lower	2011 Upper	2011 Original Category	2015 Lower	2015 Upper	2015 Adjusted category
	20,000	1		34,940	1,2
20,000	50,000	2	34,940	87,350	2,3
50,000	100,000	3	87,350	174,701	3,4,5
100,000	150,000	4	174,701	262,051	5,6
150,000	200,000	5	262,051	349,402	6
200,000		6	349,402		6

To investigate real income mobility within the sample, a comparison was made between (i) the median income category each NNGDO was given for 2010, 2011 and 2012 with (ii) the median income category each NNGDO was given for 2013, 2014 and 2015 (Appendix 8). Table 5.5 shows this comparison in the form of a real income mobility matrix. Rows indicate income categories for the first reference date and are adjusted for inflation in accordance with the calculations in Appendix 8. Columns indicate income categories for the second reference date (three years later).

**Table 5.5:** NNGDOs' income mobility between 2010 to 2015 (n=59)

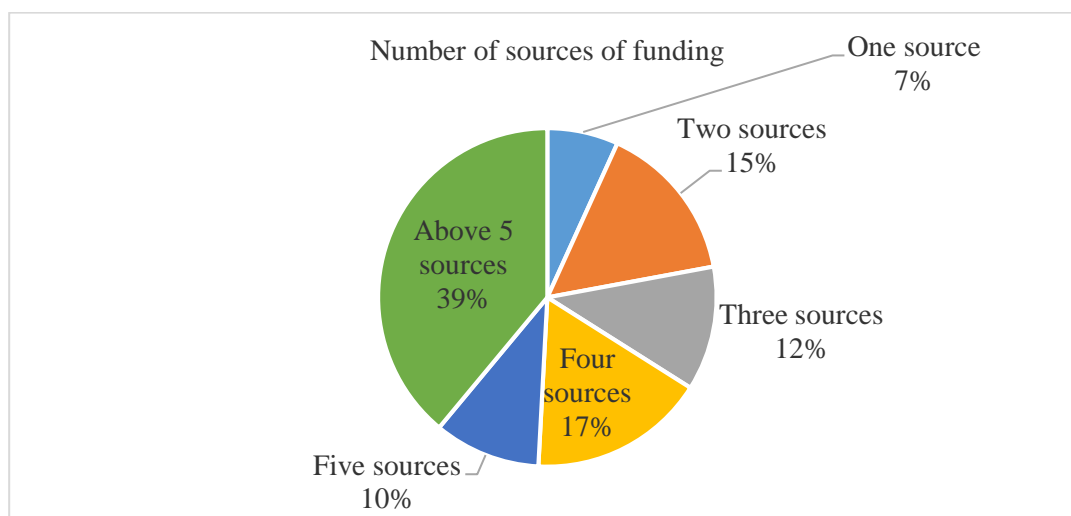
		Income category (median for 2010-2012)						
		1	2	3	4	5	6	Total
<b>Income category (median 2013-2015). Inflation-adjusted in brackets</b>	<b>1 (1/2)</b>	4	5	3	-	-	-	12
	<b>2 (2/3)</b>	1	1	2	2	-	-	6
	<b>3 (3/4/5)</b>	-	1	3	3	2	1	10
	<b>4 (5/6)</b>	1	-	-	-	4	4	9
	<b>5 (6)</b>	-	1	-	-	3	2	6
	<b>6 (6)</b>	-	-	-	-	-	16	16
	<b>Total</b>	6	8	8	5	9	23	59

Table 5.5 presents the results on NNGDOs' income mobility between 2010 and 2015. The cells shaded in grey indicate NNGDOs for which the data fails to reveal a change in real income. It is important to mention that the result hides the possibility that some of NNGDOs may have experienced significant change, particularly the 16 that fell in the highest income category in both periods. The results show that there was difference in the income mobility matrix between small and relatively stable NNGDOs (Cells 1, 1 - 3, 3) and relatively large NNGDOs (cells 5, 5 - 6, 6).

The results presented in Table 5.5 show that six NNGDOs had experienced real income growth with five being in the lowest half of the size distribution and one (N6) had grown from the middle of the range to a top income categories. To the left of the shaded area are seven NNGDOs for which the data suggests a real income decline. This is particularly evident for N12 (which declined from Category 4 to 1) and N54 (which moved from Category 5-2) (Appendix 8). An examination of the yearly data reveals some interestingly unstable patterns. For example, N11 reported high income in four years and very low income in two. Financial statements gathered from one NNGDO for example, indicated that between 2010 and 2015, annual income increased from GH¢1.6 million to GH¢ 15.0 million. Large NNGDOs commanded the highest average budgets while many small NNGDOs operated within a budget range of between GH¢20,000-GH¢49,000 for most of the years.

### 5.7.1 Funding variety and funding category for NNGDOs

I measured funding variety based on the number of different sources of funding received by NNGDOs. These include external grants and donations, government funding, earned income and corporate funding. About 23 (39.0%) NNGDOs had more than five sources of funding while only 4 (6.8%) depended on one funding source (Figure 5.7). The funding sources ranged from 1-7 with a mean of about 5 donors. Other NNGDOs reported not having a single donor for the past two to three years. These organisations were financially vulnerable and were at the verge of collapsing because they had no expectation of funding. NNGDOs that operated in Northern Region had large variety of funding sources compared to those in Greater Accra and Upper West Region. About (22) 37.3% and (3) 5.1% NNGDOs described their financial situation as precarious and sustainable respectively. This raises important concern about NNGDOs' financial vulnerability. A majority (32) 54.2% of NNGDOs reported experiencing a decline in their sources of funding between 2010 and 2015 where their income sources had completely disappeared.



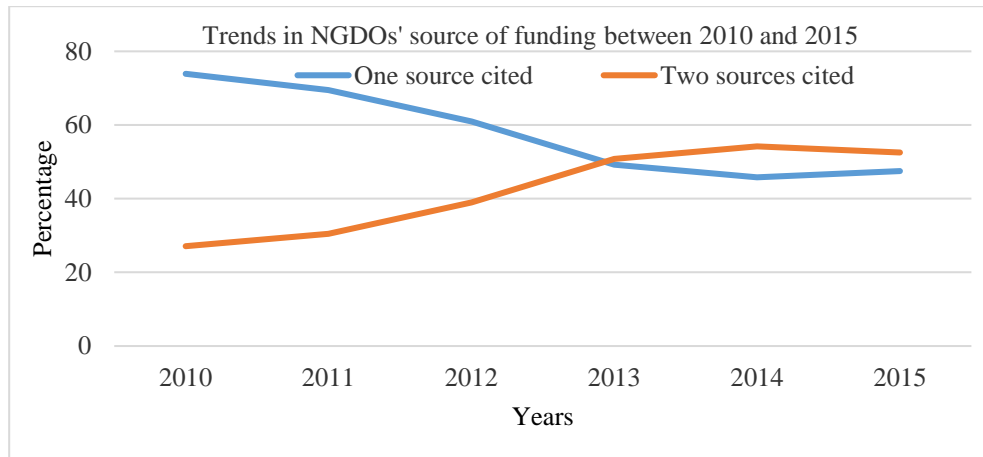
**Figure 5.7:** Number of sources of funding for sampled NNGDOs (n=59)

Table 5.6 presents the results on trends in the distribution of categories of NNGDOs funding. Survey results indicate that majority depended on external grants. In 2010 and 2013, about 86.4% and 91.5% of NNGDOs depended on external grants respectively but there was no clear trend of future expectation. Earned income through income generating activities represented the second most important source of income. The results indicate an upward trend between 2011 and 2014. NNGDOs explored alternative income sources which hitherto was not part of their resource mobilisation. Funding from government experienced a significant drop from 10.2% to 5.1% between 2010 and 2015 while that of corporate funding increased from 3.4% to 10.2% for the same period. This raises important questions about the factors that might have accounted for the decline in government funding and an increase in corporate funding. This will be explored in the next chapter.

**Table 5.6:** Trends in NNGDOs' type of funding between 2010 and 2015 (n=59)

Type of funding/ Year	2010 (%)	2011 (%)	2012 (%)	2013 (%)	2014 (%)	2015 (%)
External grants	86.4	91.5	89.8	91.5	89.8	94.9
Earned income	27.1	25.4	32.2	42.4	45.8	42.4
Government funding	10.2	10.2	11.9	11.9	13.6	5.1
Corporate funding	3.4	3.4	5.1	5.1	5.1	10.2

Although NNGDOs relied heavily on external grants, the number of organisations securing funding from more than one source recorded a significant rise (Figure 5.8). For instance, while the percentage of organisations that relied on external sources of funding declined from 72.9% to 47.5% between 2010 and 2015, those securing two sources of funding increased from 27.1% to 52.5% for the same period. The implication is that there was a strong indication that NNGDOs were mostly diversifying their funding sources.



**Figure 5.8:** Trends in NNGDOs' source of funding between 2010 and 2015 (n= 59)

### 5.8 Inter-organisational relations

NNGDOs had developed stronger networks with stakeholders in their operating environment. This was manifested in the formation of networks and coalitions which existed at district, regional and national levels. About 53 NGDOs (89.8%) belonged to a network and coalition. Of the 53 NNGDOs, 26 (49.0%) and 6 (11.3%) were members of GCNH and Ghana Association of Private Voluntary Organisations in Development (GAPVOD) respectively. However, many NNGDOs although belonged to district level networks and coalitions, these were in most cases regional branches of national level networks and coalitions.

It is important to clarify that especially in Northern Ghana, many NNGDOs had formed regional and district-level coalitions and networks where organisations in particular geographic areas come together to promote development with a broader reach. Prominent among such networks and coalitions include NNED, Coalition for Development of Western Corridor of Northern Ghana and Northern Ghana Network for Development. At the national level, networks were categorised based on their degree of participation and permanence. I call them institutionalised, transactional and institution-led coalitions. *Institutionalised networks and coalitions* had formalised governance systems headed by a national secretariat with staffed employees. Examples include GAPVOD, GCNH and GNECC. Most of them had large membership base guided by a common constitution. During my fieldwork, GCNH had a membership base of 417 NNGDOs across the country. Members paid annual dues to the national secretariat. On the other hand, *transactional networks and coalitions* were formed mainly to address specific thematic and development needs. They were mostly the creation of donors or sometimes 'breakaway networks' (i.e. where some members break away from a main coalition to form another network in anticipation of donor funding). Compared to institutionalised networks, they were relatively unsustainable in the absence of donor funding despite their formalised structures and large membership base. Examples are Ghana HIV and AIDS Network and Coalition of NGOs in Malaria Control. The last form of network is *institution-led*. These were formed to address specific cause but attached to a lead NNGDO which reduced their level of visibility. This notwithstanding, each member was autonomous and membership base comprised of both small and large

NNGDOs working on specific issues. Examples include Alliance for Reproductive Health Rights, Governance Forum and Food Security Policy Advocacy Network.

### **5.9 Conclusion**

This chapter has sought to highlight and situate the discussion of NGDOs in the context of Ghana. In doing so, it highlights that NGDOs operated in an environment that has witnessed sustained economic growth resulting in graduation to LMIC status. Directly associated with this is the decline in donor funding for the country. It further highlights that the development of the NGDO sector is directly linked to the Ghana's political history categorised into pre-structural adjustment, structural adjustment and post-structural adjustment eras. I have argued that the implementation of PAMSCAD and the liberalisation of the country's political space through the adoption of democracy and multi-party system opened up space for NGDOs engagement.

I have suggested that changing donor funding priorities tend to affect NNGDOs' survival by limiting their access to external donor funding. In particular, pooled donor funding has become the dominant mechanism. I have explored the diverse nature of the NGDO sector and highlighted the absence of a regulatory framework which has serious implications for accountability and transparency. The background information on NNGDOs highlighted that they were diversifying out of reliance on external donor funding to seeking alternatives. The next chapter presents empirical findings on resource diversification as a dominant strategy employed by NNGDOs in response to their changing operating environment. It provides a detailed account of the different diversification strategies focusing on their prospects for ensuring NNGDOs' survival and sustainability.

## **Chapter Six: Resource diversification as a dominant strategic response**

### **6.0 Introduction**

“As an organisation, if we don’t diversify, we will die” (NNGDO 1).

The previous chapter provided background to NGDOs and civil sector in Ghana. The current chapter is the first of two that presents empirical findings on how NNGDOs respond to resource dependence. I address different ways of thinking and strategies pursued by NNGDOs in response to changes in their external environment. The main argument is that although NNGDOs are highly dependent on their external environment for resources, they were proactive in exploring options for diversification and room for manoeuvre in reducing resource dependence. They employ a repertoire of three discrete resource diversification strategies categorised into: (i) commercialisation; (ii) exploring alternative domestic resources; and (iii) holding on to external funding through thematic, operational and locational diversification. The findings are based on the qualitative data from 32 NNGDOs collected in phase three of the research.

This chapter proceeds as follows. The first section focuses on commercialisation as a revenue diversification strategy. I present the empirical findings on NNGDOs’ engagement in self-financing and social enterprise. I then move on to examine how NNGDOs are mobilising alternative domestic resources as part of their resource diversification portfolio. This is followed by the strategies employed by NNGDOs in holding on to external donor funding focusing specifically on thematic, operational and locational diversification. The last section concludes and sets the scene for chapter seven which looks at other strategies employed by NNGDOs.

### **6.1 Commercialisation as resource diversification strategy**

Commercialisation played an important role in serving as a strategy employed by twenty-five NNGDOs. The empirical findings suggest that it took the form of self-financing (e.g. income generating activities in consultancy services) and establishment of social enterprises. Although self-financing was not new, I observed that twenty-five NNGDOs gave it a lot of attention as part of their financial resource mobilisation strategies. Ten respondents in the health sector explained that they relied on commercial activities from their developed projects in constructing sanitation facilities for hospitals, schools and communities as part of their Water, Sanitation and Hygiene (WASH) interventions. Intended beneficiaries paid fees for these facilities which helped in generating some amount of money as explained by one Executive Director:

Currently, we are into WASH and we usually construct small water systems for communities and we don’t do it for free. We also construct latrines for institutions and households (NNGDO 31).

Aside from the income generated, respondents pointed out that making intended beneficiaries pay for their services instil in them element of independence and sustainability. According to some respondents, given that donor funding is not perpetual, NNGDOs had a responsibility to encourage intended beneficiaries to become responsible in meeting their own needs. At the organisational level, more than half of NNGDO respondents explained that income-generating activities helped in reducing their dependence on donor funding which was perceived as unpredictable and inflexible. This, they believed affected their autonomy, independence and ownership of projects. Their rationale for self-financing was to ensure that external donor funding did not become the dominant component of their resource mobilisation portfolio as illustrated by the following quotation:

Well, they [donor funding] are still there but looking into the future, it's not something that you can place your hopes on and it's part of the reason we have created commercial ventures as alternative sources of funding (NNGDO 1).

As part of self-financing processes, fourteen respondents explained that they actively engaged in consultancy services. For most NNGDOs, the addition of consultancy to their revenue diversification portfolio was a recent phenomenon where they leveraged their skills and expertise to offer services to clients. For this reason, they explained that they were in early stages of developing their strategic plans for such engagement. For example, one Executive Director pointed out that he had put in place strategies that would help him to generate about 60.0% of his budget from consultancy services in the next three years (NNGDO 2). Depending on the quantum of work, consultancy services were found to be short-term and one-off contracts lasting between three months and two years. This notwithstanding, seven respondents explained that they were able to raise much funds from consultancy compared to direct implementation of donor projects as one respondent explained.

Our new focus is to search for more consultancy services because that is where the money is. We recently completed an FAO consultancy which was just for three months with a value of \$27,000. So when you get a lot of those consultancies, you're able to do proper financial planning (NNGDO 11).

Engagement in consultancy services was an important long-term sustainability strategy for eight NNGDOs where permanent structures had been set up. A typical example was NNGDO 24 that had established a Learning Development Centre as a subsidiary enterprise that provided consultancy services like training on preparing relevant teaching and learning materials to educational institutes. Given that funds generated were unrestricted, respondents explained that it gave them the opportunity to invest in their organisational growth and development. During my fieldwork, it was clear that the engagement of NNGDOs in consultancy was primarily motivated by sustainability concern rather than a scaling up or an influencing strategy. One respondent stressed that:

Our sustainability is a growing concern for management. Currently as part of our sustainability plan, management is working towards taking up consultancy assignments aside our normal projects. We particularly want to undertake participatory monitoring of government policies on reproductive health (NNGDO 4).

More than half of respondents emphasised the importance of organisational capacity and experience as major determinants of their ability to effectively engage in consultancy. For this reason, small and medium-sized NNGDOs were more concerned about their inability to secure consultancy assignments through competitive bidding process. They claimed to be discriminated against in the application process given the limited pots of funding and the increasing number of NNGDOs, think tanks and consulting firms. The reason given was that some donors had their preferred partners who were always called to undertake consultancy assignments making it difficult for small NNGDOs to access such opportunities. Directly related to this was the central government's inability to use NNGDOs' contracting services. To this end, six respondents reported a decline in the contribution of consultancy to annual budget. For instance, the Director of Finance and Administration for NNGDO 8 shared his experience where the consultancy component of his budget declined from 44.0% to 7.0% between 2005 and 2010. For 2015, it had dropped to just 0.5%. This has resulted in the organisation becoming more highly donor dependent because it is considered the only relatively stable and predictable source of funding.



Aside from consultancy, NNGDOs were engaged in subsidiary enterprises in microcredit, agro-processing, animal rearing (e.g. rabbits and goats) and vocational skills training (e.g. beads and soap making). In terms of microcredit, six NNGDOs supported Village Savings and Loans Associations (VSLA) where they played intermediary roles in mobilising, coordinating and educating especially women's associations in shea butter and agro-processing. They also secured loans from financial institutions for the associations where they charged interest on loans and in some instances, the women paid in-kind through their products. Engagement in VSLA is an example of an integrated hybrid operation where NNGDO intended beneficiaries act as customers. Respondents argued that subsidiary enterprises supported overheads, project costs and helped them to make investments as explained below:

We run the VSLA where there is a small negligible interest. So we use the interest from the microcredit scheme to buy bonds on the market so that when a situation of no project happens, then we quickly rely on the bond (NNGDO 22).

Another respondent added:

Currently our coping strategy is to concentrate on the processing of agro-products. We make our surpluses from such investments and it is helping us to take care of some overhead costs due to the absence of core funding (NNGDO 30).

For five NNGDOs engaged in agriculture-based enterprises in the North, concerns were raised about revenue volatility given that agriculture is rain-fed and seasonal. This creates financial planning difficulties. Uncertainty in funding inflows had compelled four NNGDOs to engage in retail shopping in charity shops, renting of chairs and canopies for event organising and operating a drinking spot. Charity retail shop was an emerging practice among NNGDOs which makes it not well developed because they relied on donated items from individuals which were largely unpredictable. The Programmes Manager of an NNGDO operating a charity shop in Accra stated:

We have come up with a charity shop which focuses mainly on donations from individuals. We take in people's nicely used clothes and we sell it at a reasonable price and use the proceeds to support our clients at the shelter (NNGDO 2).

The engagement of NNGDO 2 in charity shop was fuelled largely by the withdrawal of its main donor in 2013. The donor provided between 70-80% of its annual funding. The organisation had witnessed the withdrawal of other potential donors in recent years. The respondent explained that most projects had run-out resulting in a turnover of paid staff from eighteen to four between 2013 and 2015. The NNGDO currently relies on its charity shop as explained by the Programmes Manager:

For now, from where I sit, we don't have a single funder supporting the organisation. Most of the support from donors was tailored at specific projects. So those are one-off, it comes, we run, it's over and we are done. But now, we are depending on commercial activities which are not regular to run the organisation (NNGDO 2).

### **6.1.1 Emergence of social enterprise among NNGDOs**

Social enterprise constituted one of the financial diversification strategies employed by fifteen NNGDOs. Although it is gaining much attention and has attracted interest globally, eight respondents pointed out that it was in its “thinking process”. By this, I mean social enterprise remains a highly tentative and cognitive idea that is in a deliberative process among NNGDO leaders. These respondents emphasised the need to persuade their board of directors that social enterprise is a worthwhile venture given the lack of start-up capital, organisational capacity and understanding about the concept among NNGDOs.

One Executive Director explained:

We are trying to come up with a plan where we can dive into a full-blown business. So for now, we don't have that but we're lobbying with our board of directors. It's one of the things we have put on our minds to pursue so that we will not be running completely out of funds (NNGDO 29).

Respondents were of the view that social enterprise was the way to go if they were to remain sustainable. It is worthy of note that NNGDOs' quest for social enterprise was a conscious and deliberate response to uncertainty in their external environment. For this reason, fifteen NNGDOs were actively engaged in profit making ventures including early childhood schools and poultry farming. These NNGDOs had developed and incorporated business models into their activities by making them separated hybrid organisations where the customers of NNGDOs' commercial activities were not direct intended beneficiaries of interventions. However, profits from the enterprises were ploughed back to support NNGDOs' activities. More importantly, all the social enterprises were nascent and operated on a small scale. The maximum years of operation was four years while others had operated less than one year. Eight respondents stressed the need for tying their social enterprise to the immediate needs of intended beneficiaries. They claimed that knowing the needs of customers and intended beneficiaries to which the social enterprise was going to address is key to its survival. For instance, the Executive Director of NNGDO 29 that had established a social enterprise in agribusiness claimed that it would help in addressing food security concern facing a number of people in their operational areas. The benefits of such ventures to intended beneficiaries will be determined in a matter time given that their operations were on a very small scale. This notwithstanding, it was clear that some respondents saw social enterprise as a way of meeting the needs of beneficiary communities.

Another issue raised by respondents was the need for proper understanding of the legal processes involved in setting up a social enterprise. More than half of NNGDO respondents had a clear sense of registering the social enterprise as different entity from the NNGDO. They explained that the rationale for separating the two entities was to avoid mixing up of activities so that intended beneficiaries do not recognise NNGDOs as for-profit organisations. This notwithstanding, I observed that respondents had difficulty in delinking the social enterprise from the NNGDO. Respondents reported that although NNGDOs and their social enterprises shared the same office space, each had different staff but management remained the same. For instance, NNGDO 28 in Tamale had a social enterprise that used two office rooms as operating space. When asked about the reasons for hosting the social enterprise and the NNGDO in the same office space, the Executive Director explained that it was part of their cost reduction and ways of increasing the marketability and brand affinity of the social enterprise. Respondents pointed out that although social enterprises were in their infancy, there was scepticism about their long-term sustainability. NNGDOs' quest for market-led resource mobilisation approach faces a number of challenges which are presented below.

### 6.1.2 Issues and challenges of social enterprise

The empirical findings suggest that although the transformation of NNGDOs into social enterprise is gaining prominence in Ghana, they have received little support (e.g. human, technical and financial) from the central government, external donors and the private sector. None of the thirty-two NNGDOs reported receiving support from any of these stakeholders in developing their social enterprises. During interviews, five donor representatives stated categorically that their funding was not meant for supporting NNGDOs in social enterprise. There was a clear lack of interest and unwillingness to support NNGDOs because donor representatives claimed it was highly unjustifiable as one respondent puts it:

The problem lies in justifying every expenditure we incur. If you look at our report template, you have the budget, and an explanatory column. So you need to justify why you have to spend that amount in supporting the NGO in social enterprise and at times, it is not easy to explain (Donor 4).

About two-thirds of NNGDO respondents concurred with the above assertion in the following statement by one respondent:

To put some money in their budget to support our organisation in social enterprise, as for that, they won't do it. They said it is out of their reach because they can't defend it at their level. How will they justify that? (NNGDO 24).

Due to donors' unwillingness to support NNGDOs' sustainability initiatives, more than half of respondents felt donors only preach what one respondent calls "obsessive sustainability gospel" but are not interested in making them sustainable. They explained that although donors claim to support NNGDOs in terms of funding and capacity, they were only interested in using them to implement their projects and achieve results rather than becoming partners who were interested in ensuring their sustainability. For example, a donor representative explained the rationale for their interest in NNGDOs producing results rather than investing in their long-term sustainability:

Once you can show results for the work you do, we are willing to fund you because we want reports. I don't think I will be happy with an NGO not giving me the results I need to communicate to headquarters that we have achieved so much. So for me, their sustainability depends on how well they produce the results we want (Donor 4).

Donors have therefore not made any conscious effort to shift their funding priorities towards building the long-term sustainability of NNGDOs. For this reason, twenty-two small and medium-sized NNGDOs pointed out that they have been abandoned and left alone in dealing with their sustainability challenges. The Executive Director of NNGDO 3 in Accra lamented:

Donors are more interested in their community interventions rather than NGOs' sustainability. They use NGOs as conduits to achieve their objectives, so the question is: Do donors factor the sustainability of NGOs as part of their agenda? The answer is certainly not. You see, donors are not making NGOs sustainable at all. They don't make the funding in such a way that you can survive without them (NNGDO 3).

A key informant shared similar sentiments:

The issue of sustainability is more important when it comes to funding but where donors are missing the point is facilitating processes that will enable NGOs to be sustainable (Key Informant 1).

The above statements also show how donors who purport to spearhead NNGDOs' sustainability can ironically cause them to become unsustainable. Through their increased emphasis on projectised funding, donors are more interested in perpetuating elements of dependency rather than putting in place support mechanisms that will make NNGDOs independent and sustainable in the long-run. Given the high dependency on donor resources and the perception of abundance, five key informants and three donor representatives explained that many NNGDOs were less concerned about their own sustainability as one donor representative noted:

I think quite a number of NGOs are still in denial. They don't believe that funding is getting finished and the environment too is changing. They know we still have projects so some go and continue as if it's business as usual. The biggest challenge is that most NGOs are refusing to accept that things have changed (Donor 2).

Informed by their inability to get institutional support, twelve NNGDO respondents engaged in social enterprise mentioned access to start-up capital as their main challenge. Respondents explained that many commercial banks were unwilling to lend them loans because of the risk involved. In instances where returnable bank loans were given, the interest rate was described as very high ranging between 20-30% as one respondent explained:

We started the social enterprise because we got some bank loan. However, the loan has over 25% interest on it. So what business will you do to generate the needed interest? So in a nutshell, it is not possible to come up with a social enterprise managed by a local NGO without donor funding (NNGDO 8).

The statement suggests that NNGDOs were dependent on donor grants despite their engagement in social enterprise. Directly related to this was the fact that more than half of NNGDOs did not have business models for supporting their social enterprise. Respondents claimed to rely on non-returnable grants from self-financing initiatives and contributions from executive directors and board members for start-up capital. However, these unrestricted funding were considered meagre especially when an NNGDO wanted to engage in commercially viable social enterprise. Twelve respondents explained that when organisations rely solely on self-financing and contributions from their executive directors or board members, there was a high tendency for the social enterprise to turn into 'one-man business' or be co-opted into family-linked businesses where surpluses are never ploughed back to the NNGDO but rather used for personal gains. They claimed that some individuals hide under the NNGDO label to establish "personal businesses" in social enterprises. For instance, one Executive Director explained that he had established a social enterprise in Northern Ghana that sells herbal tea. Interestingly, he mentioned that his wife managed the social enterprise but all surpluses were given to the NNGDO (NNGDO 21). This blurs the distinction between family business and NNGDOs' commercial activities. However, the extent to which social enterprises became intermingled with family businesses depended on internal governance structures and leadership.

A common experience across respondents was the lack of capacity in terms of leadership and business skills. One respondent stated that "I have seen many NGO businesses collapsing because of leadership challenges" (NNGDO 17). Eighteen interviewees concurred and reported having little or no business management skills that would help them engage in commercially viable social enterprise. This was due, in part, to their inability to hire and retain competent staff which affected their ability to develop proposals and innovative business models that could attract investors. The following quotation summarises the capacity challenges faced by NNGDO:

The reason why the idea of social enterprise is not viable in our context is that NGOs do not have the expertise to go into it. Also, if you want to make a social

enterprise big and viable, you need a lot of skills but we have not yet developed our capacity to that level (NNGDO 3).

Directly related to the capacity challenge was the influence of environmental and contextual factors especially cognitive dimensions of social enterprise. For this reason, respondents reported the need for education and advocacy in changing attitudes, perceptions and culture of intended beneficiaries and NGDO employees. This was because given that over the years, intended beneficiaries have enjoyed services for free in what one respondent described as “beneficiary dependency syndrome” (NNGDO 6). In this regard asking them for payment would be challenging. Moreover, many intended beneficiaries were perceived as visibly poor, hence their ability to pay for services remained unknown.

Further illustrating this challenge was the case of an NGDO that operated a social enterprise in the construction industry. It was suggested by the Programmes Manager that clients were unwilling to pay market level price for their heavy-duty trucks because they believe NNGDOs are not supposed to make profit (NNGDO 25). This affected the ability of the enterprise to break even let alone get surplus to invest in social interventions. Some concerns were raised by eight respondents about NNGDOs using their social enterprises to deprive intended beneficiaries of services they claim to provide. Speaking about how NNGDOs had changed their support, one Programmes Manager stated that:

We started by doing it for free, but we had problems with funding. We told them we are going to charge whatever services we give them. So we provided services to only those who could pay because we also need to survive (NNGDO 24).

### **6.1.3 Effects of social enterprise on organisational mission**

An aspect of NNGDOs’ transition to commercialisation was its effects on organisational goals and mission. As a survival strategy, fourteen respondents suggested revising their mission and objectives to engage in social enterprise. Rather than seeing social enterprise as potential distraction to mission and objectives, seven respondents felt it was rather a value addition. A respondent argued that:

The engagement in social enterprise is to achievement of our vision and mission. Every fund we generate goes to the beneficiaries. So it helps in achieving every goal we’ve set for ourselves as an organisation (NNGDO 6).

NNGDOs’ thematic areas determined the type of commercial activities undertaken, these being aligned to the overall organisational mission. For instance, a respondent put forward the view that his organisation engaged in VSLA because they wanted to promote financial independence among intended beneficiaries of their livelihood empowerment programmes. In this regard, she explained that the interest from the VSLA had made it possible to expand the scheme to other beneficiaries, the primary aim of the organisation (NNGDO 16). Nonetheless, concerns were also raised about potential negative effects (i.e. shifting focus towards becoming a fully blown commercial entity to the neglect of their social interventions) of commercialisation on mission especially in organisations that lack strong leadership and strategic planning. Given the difficulty and uncertainty of funding, two NNGDOs were contemplating closing down to concentrate on their social enterprise. One Executive Director disclosed:

If supporting communities is not feasible because of funding, then it’s better we close the NGO and concentrate on our social enterprise. We are doing our best to remain in business but if it becomes too hard for us to bear, we will go and focus on the business. That is also diversification (NNGDO 20).

Given the absence of a legal framework for regulating NNGDOs, individuals could take advantage of this and become more profit conscious rather than focusing on social interventions. One Executive Director remarked “next year, I will devote all my attention to the social enterprise and leave the NGO work to

the other staff members to manage’’ (NNGDO 20). The increasing turn to social enterprise also created tension among staff within some NNGDOs. While some senior management staff were enthusiastic about social enterprise, other members of staff like field officers who claimed to be in touch with the grassroots were quite sceptical. A field officer argued that:

Social enterprise in Ghana theoretically sounds romantic. But the truth is, if you know the realities on the ground, what kind of profit margin are you going to put on your products for the communities to buy? I am not sure social enterprise will work and to me it’s just a mirage (NNGDO 17).

The above statement was a common sentiment shared by eight NNGDOs. The growing scepticism and lack of interest was borne out of the limited funds generated. Given that NNGDOs’ commercial activities were nascent, their contribution to annual budget was reported to be negligible ‘‘...approximately, we get less than 10% of our annual budget from our social enterprise which is very small’’ (NNGDO 8). Revenue volatility was also mentioned as a common experience and challenge for NNGDOs because as one respondent described it ‘‘revenues are really not regular, it’s once in a while and highly unpredictable depending on the business environment. Although it could give you something, it can’t promote your sustainability’’ (NNGDO 24).

#### **6.1.4 Reasons for commercialisation**

Respondents from fifteen NNGDOs operating social enterprises mentioned that their desire to create employment and training opportunities for intended beneficiaries was one of the reasons for their establishment. They believed that commercial activities had the potential of providing jobs for unemployed youth in their operational communities. For instance, one NNGDO in Tamale has created a social enterprise where young girls are given on-the- job training as part of an empowerment programme. Another reason mentioned was the need to promote organisational independence and ownership of programmes. In interviews, respondents suggested that commercial activities would give them financial and organisational independence in voicing concern about donor conditions perceived as non-favourable. One respondent succinctly explained:

Gradually we are trying to move ourselves away from donor funding through our social enterprise. The reason is that we want to maintain our independence. It helps us to tell donors that these are our policies and we have to go by them to maintain our integrity (NNGDO 31).

However, when probed further about the ability of commercial activities to guarantee financial and organisational autonomy from donor influence, more than half of respondents indicated that they were highly dependent on donor resources and therefore their control was unavoidable. For example, one Executive Director stated that ‘‘we have only started these sustainability measures in commercial activities not too long ago, just last year. So right now, I think a huge majority of our funding about 96% comes from external donors and they have much control over what goes on here’’ (NNGDO 18).

Another justification for commercial activities was the need for counterpart funding as part of donor funding requirements. Twelve respondents mentioned that although income from commercial activities was meagre, the ability of the organisation to demonstrate that it was capable of raising counterpart funding meant it could support its existence independent of donors. NNGDOs able to raise counterpart funding were perceived by donors as committed to ensuring their own sustainability. This also influenced donors’ decision to work with them. A donor representative explained the rationale for counterpart funding by stating that: ‘‘We have acknowledged that NGOs must continue to survive by running their own programmes. So, they have to pay between 10-25% as counterpart funding of the grant. These are some of the things we have been doing to ensure their sustainability’’ (Donor 3).

It suggests that NNGDOs' sustainability is seen as a cost from donors' perspective. NNGDOs unable to raise counterpart funds reported having difficulty in securing projects which also affected their survival as illustrated by the following quotation:

It is even more difficult this time that most donors are shifting towards NGOs providing counterpart funding. The reason why we are not getting projects is we're unable to tell donors that we will take 20% of the project cost. That is posing some challenges to small NGOs in terms of our capacity to raise such funds (NNGDO 15).

## **6.2 Domestic resource mobilisation (DRM)**

Aside from commercial activities, nineteen NNGDOs had intensified their search for alternative funding including corporate philanthropy through Corporate Social Responsibility (CSR), individual donations and government funding. It is important to emphasise that mobilisation of domestic resources is far from new. However, fifteen respondents repeatedly stressed that they had given priority to DRM because it could serve as a backup plan against eventualities in external funding as illustrated by the following quotation:

I think currently we are diversifying our funding sources beyond external grants to focus more on domestic resources. It's a strategy to look beyond donor funding as part of our new five-year strategic plan (NNGDO 3).

### **6.2.1 Corporate philanthropy from the private sector**

Ten respondents reported intensifying their engagement with the private sector through CSR. However, they explained that corporate philanthropy in Ghana was nascent and not well developed but remains the dominant form of CSR practised by multinational companies. Respondents brought forward a number of concerns including potential mismatch of interests which affected their ability to tap into corporate funding. They explained that they had not clearly articulated the benefits of NNGDO-corporate partnerships in terms of how they could use their experience and grassroots connections to help corporate organisations in enhancing their products and reputation. This according to respondents was due to the lack of strategic packaging when approaching businesses for partnerships.

Twenty NNGDO respondents and four key informants described NNGDO-corporate partnership as weak. Among the reasons given was NNGDOs' high dependence on external donor funding which has made them pay relatively little attention to mobilising private sector resources. Domestic resources were often described as non-existent as no conscious efforts were made to develop and explore them. This according to five respondents was because of the perception that donor funding was relatively easier to access, predictable and the amount involved was huge compared to donations from corporate organisations which were mostly in-kind and focused on one-off issues. Some respondents were of the view that corporate funding was geared towards "one-touch hard infrastructural support" (NNGDO 24).

Again, NNGDOs' inability to tap into corporate funding was attributed to the lack of organisational capacity. Surprisingly, only NNGDO 4 and 16 had a dedicated resource mobilisation officer. In most organisations, resource mobilisation was the sole responsibility of the Executive Director or a team of staff put together to respond to calls for proposals. The rationale for not having a designated resource mobilisation officer was due to the absence of core funding and the uncertainty of the funding environment. The absence of core funding was reported to affect resource diversification abilities because it was riskier to hire and retain a paid staff. For this reason, many relied on their Executive Director(s) in reducing administrative costs. Nonetheless, it affected their ability to write quality proposals and engage effectively with corporate organisations.

In interviews, a corporate representative confirmed this assertion by suggesting that they prefer to engage United Nations (UN) agencies, INGDOs than NNGDOs due to capacity challenges. This is illustrated by the following quotation:

We've built 10 ICT centres in all the regions. We did that with UNDP. We don't deal directly with local NGOs because I think they don't have the strength [capacity] like the international organisations. We have also been doing some projects with Plan International (Key Informant 12).

Aside from capacity challenges, the perceived lack of transparency, accountability and responsiveness to community needs by NNGDOs played a key role in their attempt to seek corporate funding. Two key informants explained that corporate organisations would want NNGDOs to engage in active advocacy on transparency with the view to holding government officials to account but little has been done. This raised concern about the relevance of NNGDOs among key informants where one described them as “just noisemakers and attention seekers without any demonstrable impact”. This directly speaks to their legitimacy and the lack of awareness about their roles in society. For this reason, key informants suggested the need for them to demonstrate their relevance and the benefits of their partnership as a prerequisite for accessing corporate support. There was also lack of information and understanding about corporate funding. Interview data suggests that NNGDOs had little knowledge about corporate funding models, granting priorities and the intended CSR areas for corporate organisations.

One particular striking finding relates to the level of scepticism among NNGDOs about the use of corporate foundations as mechanism for undertaking CSR. Many multinational companies especially in the telecommunication and mining sectors were found to be implementing their CSR independently of NNGDOs through their foundations. Interview data suggests that NNGDOs were not partnered or used as intermediaries for project implementation and is partly an indication that corporate organisations are unwilling to relinquish control of their CSR to NNGDOs. This according to six respondents was due to the centralised nature of corporate philanthropy practised in Ghana. For instance, respondents in the North complained of not being able to secure corporate funding because all funding decisions were made in Accra. To these respondents, their geographic location and other contextual factors played a key role in determining the availability of corporate funding they can tap into. One Executive Director, for example explained that he submitted his application to a commercial bank in Tamale and was informed that the selection process would be decided at Accra so they were unable to provide further information on his application. Geographical location was considered a significant threat to resource diversification as illustrated in the following quotation:

All the major decisions are made in Accra. Most organisations are based in Accra, they don't come to the North. So we are at a disadvantage position here because nobody will know of your existence. If you only know a sub-office, it doesn't help at all when seeking funds domestically (NNGDO 27).

Seeking corporate funding is a tough call for NNGDOs given that corporate organisations are more interested in sponsoring visible infrastructural projects that enhance their reputation and organisational brand rather than supporting policy and advocacy oriented programmes. This is also partly because of the depoliticisation of corporate organisations in governance process where they do not want to meddle themselves in policy and advocacy arena that challenges government apparatus. For this reason, NNGDOs focusing on policy-oriented issues reported having difficulty accessing corporate funding:

I don't think that kind of support for development and policy-oriented activities currently pervades our private sector because many private sector foundations are



more interested in supporting what can be tangibly seen. Their funding is limited and meant for specific activities like entertainment shows (NNGDO 5).

In an interview with a representative of a telecommunication company, the respondent explained that their focus on visible projects enhanced their brand affinity. For this reason, he explained that CSR was largely driven by commercial expediency where vested interests remained their top priority. This is quite ironic given that CSR was touted as an avenue for improving well-being and development. Five key informants and eight NNGDO representatives explained that in Ghana, the purpose of CSR was not for promoting “real development” but an avenue for companies to enhance their profits and image. As one respondent noted: “The corporate organisations are interested in projects that are visible and they can readily paint with their colours because they are more interested in the image they will get than the actual social returns” (NNGDO 2). These respondents claimed CSR is a window-dressing strategy for deceiving the public and this helps organisations to gain legitimacy from the public because they are perceived as “doing good to the society” (Key Informant 4).

The increasing emphasis on enhancing their brand rather than promoting “real development” was also influenced in part by societal perception. For this reason, a corporate interviewee explained that they would want to engage in some activities that appeal to the public as part of their CSR. The rationale is to manipulate stakeholders’ perception that “the organisation is a caring brand” which enhances their organisational reputation (Key Informant 11). In addition, CSR was a mechanism for lobbying government’s regulatory activities. For example, the same respondent explained that the government wants to declare their organisation as a monopolist player but this would give their competitors an upper hand. For this reason, the company is using its CSR to mitigate the situation by lobbying the government.

Another issue determining the lack of corporate funding and support relates to environmental and contextual factors like general economic situation and tax incentives. Respondents were of the view that dire economic conditions such as erratic power supply (known as *dumsor*) and high interest rates affected the profit margins of many businesses while others had collapsed. For this reason, businesses were more concerned with their own survival than supporting NNGDOs. When corporate organisations face cash flow issues, CSR becomes the main area of target for reduction (Key Informant 3). This is largely because, for most organisations, their CSR is derived from a percentage of profit after tax. For example, a respondent disclosed that they set aside 1% of their profit into CSR but this is reduced in times of financial difficulty (Key Informant 11). Moreover, government’s inability to create an enabling environment that incentivises corporate organisations to engage in CSR was a major concern raised by respondents.

Although respondents reported difficulties involved in securing corporate funding, four NNGDOs had secured such funding to undertake service delivery activities. The Executive Director of NGDO 6 working in the catchment areas of an oil and gas company in the Western Region reported that they secured a grant of about GHC15.0 million (US\$3.9 million) from the company as part of their CSR to construct and revamp hospitals and also train nurses on maternal health issues (NGDO 6). The NNGDO was able to secure the grant because it partnered with the Ghana Health Service. While the discovery of oil and the presence of mining companies could open up opportunities for NNGDOs to secure funding from corporate organisations as part of their CSR, respondents mentioned that it mostly favours NNGDOs located within their catchment areas. Other respondents reported receiving one-off product donations from corporate organisations including Nestle Ghana, PZ Cussons and Tigo. The discussion on NGDO-corporate partnership is emerging and at an experimental stage. The success of such partnership would be determined in a matter of time. However, there are renewed efforts by NNGDOs to actively find ways to engage with the private sector.

### **6.2.2 Individual and philanthropic donations**

Individual donations constituted an important domestic resource explored by nineteen NNGDOs. Respondents had innovatively embarked on new funding models through face-to-face fundraising in shopping malls, online funding mechanisms (e.g. crowd funding), placing donation boxes at vantage places such as their offices, banks, churches among many others to raise funds from individuals. The use of these approaches was an emerging fundraising model which gave NNGDOs access to unrestricted funding opportunities. Respondents explained that they faced a number of challenges in using these new approaches, prominent among them include the following. First, limited understanding of domestic fundraising strategies. Second, amount of money raised was too little to bring about any meaningful change. Third, mobilising private philanthropy requires building strong personal connections. Three NNGDOs had explored this avenue by using their executive directors and board members to raise funds from churches or individuals who gave monthly or yearly standing orders (NNGDO 2, 9, 29).

Although Ghanaians have a rich culture of giving, interview data suggests private philanthropic donations were ad hoc and unpredictable. In addition, respondents explained there was lack of commitment to support the activities of NNGDOs given that individuals tend to give to families, close networks and religious groups like churches or mosques. This was informed by the need for familial obligation, reciprocity, social network, inclusivity and religious obligations. Majority of respondents felt individual giving was largely informal and not mediated through intermediaries like NNGDOs. To this end, when giving is made formal, it loses its value. For this reason, they lamented about their inability to mobilise enough resources from individuals which was largely attributed to the absence of culture of giving directly to NNGDOs. Respondents believed that the attitude of supporting NNGDOs was not cultivated in most Ghanaians as noted by one key informant: “A Ghanaian taking money and giving it to an NGO, it’s strange. We haven’t even thought of that because it’s not part of our culture” (Key Informant 6). In addition, they felt that some individuals were disinterested in giving to NNGDOs but would rather expect support from them. Even for intended beneficiaries, giving back was a challenge. One Executive Director lamented: “People don’t have that spirit of giving for NGOs. And even those who benefit from our programmes, they don’t have the giving-back attitude” (NNGDO 25). This, in turn, feeds into a common sentiment about the need for strengthening the spirit of giving in Ghana and the creation of government’s incentives towards giving.

While the need for education was crucial, there was a general perception that individuals give to NNGDOs perceived to be accountable, transparent and able to demonstrate impact. However, according to respondents, public transparency, accountability and impact of NNGDOs remain highly limited. At the same time, there was a negative public perception that NNGDOs were “financially sound” because their leaders receive ‘huge’ donor funds which are used in enriching their own lives rather than their intended beneficiaries. Even government officials were concerned about the opulence of some NNGDOs who were purported to drive in Land Cruisers at the expense of the poor. The Director of NNGDO 31 chastised his colleagues by putting it this way:

They have received a lot of money but have not built their structures. Some leaders want to live a luxurious life. They get the funding for their own benefits to the detriment of the purpose for which the money has been given. We have a few ones that are just a disgrace to the sector (NNGDO 31).

The above impression has caused apathy where people do not see the urgency in supporting NNGDOs because they believe donated resources will not reach their intended beneficiaries. For this reason, four respondents suggested that it was a deliberate decision not to mainstream private philanthropy into their resource mobilisation portfolio. To these respondents, individual donations were perceived as non-existing because of the lack of progressive institutionalised philanthropic culture.

Interview data indicates that this perception was largely influenced by NNGDOs' capacity challenges which meant they had limited understanding of domestic fundraising. For this reason, mobilising individual support for NNGDOs was a tough call and had created some level of doubt about their potentials to sustain NNGDOs.

Notwithstanding the above reservations, some NNGDOs reported mobilising resources from foundations that are mostly of African origin. This can be linked to the emergence of the middle class and high net-worth individuals (HNWIs). However, respondents were concerned about the limited nature of their funding for priority areas. For example, the Grants Manager of a foundation explained that they had only two grants application windows annually, and these were targeted at specific thematic areas. She further stated that given their high donor dependency, only 30-35% of all applications were successful. High dependency on donors and inability to generate local base support for their organisation is threatening their own sustainability as revealed by the following quote: "To be honest, should external donors pull out right now, we will be in crisis. It will be very difficult for us to stand on our feet" (Donor 5).

### **6.2.3 Volunteer support**

As part of individual donations, twenty-six NNGDOs were actively engaging the services of community and international volunteers. The approach had become necessary given the absence of core funding and projectisation of donor support, making it difficult to retain staff in the absence of projects. During such periods, respondents explained that some paid staff volunteered in anticipation that when new projects were secured, they would be retrained and reassigned. The use of volunteer support constituted an important cost reduction strategy. For instance, activities that would have involved elements of costs were passed on to volunteers. Engagement with volunteers was a useful mechanism for NNGDO to ensure the project sustainability at the community level. For example, the Executive Director of NNGDO 21 explained that volunteers help sustain their presence in communities even in their absence because they had created a sense of ownership which increased organisational legitimacy and credibility.

In addition, respondents reported that working with community volunteers indicated that NNGDOs were accountable to them and therefore it became a strategy for satisfying aggrieved community members. For example, some opinion and community leaders were involved in the selection of community volunteers for NNGDOs as explained by a respondent: "we work with the elderly, so we try to involve the chiefs and people in the community as part of our self-help initiatives. Everything is volunteerism, sacrificial and self-help because we say God helps those who help themselves" (NNGDO 19). NNGDOs' engagement with formal local volunteers (e.g. interns) was mostly short-term lasting between three to twelve months and was described as episodic, whereas community volunteers mostly focused on long-term community activities and initiatives such as caring for the elderly, orphans and vulnerable children.

Aside from this, international volunteers supported in building organisational capacity in report writing, proposal development and training in ICT. This served as an important avenue for resource mobilisation through the payment of fees, donation of items, setting up online fundraising platforms and linking NNGDOs to potential donors in their home countries. In some instance, they played a crucial role in the generation of earned income. For example, the Executive Director of an NNGDO in the North reported using volunteers to run motorcycle and tricycle businesses as part of their income generating activities. However, they face uncertainty due to lack of commitment. Since volunteers are not obliged to abide by any contractual agreement, they terminate their engagement without prior notice leading to a high rate of volunteer turnover which affected project continuity. Nine respondents explained that the high turnover and low commitments among volunteers was due to the lack of remuneration and understanding of volunteerism. Motivating volunteers was reported as a big challenge. A respondent lamented:

In Ghana, people are highly money conscious, so every little thing they do, they want money. Most NGOs do not use the services of volunteers because they think they are obliged to pay them and since they don't have funds to give, then they will not open doors to you at all (Key Informant 1).

Another important issue had to do with the lack of clear-cut policies and programmes for engaging volunteers. This originates partly from communication gaps by NNGDOs to clearly articulate their engagement with volunteers. What is evident was that in the absence of donor funding, relying on volunteer support had the potential to help NNGDOs achieve their goals and objectives. However, the benefits of such engagement as some respondents indicated remained uncertain.

#### **6.2.4 Government funding and support**

The last domestic resource explored by NNGDOs was funding from government institutions, including ministries and MMDAs. The GOG does not specifically allocate a percentage of its annual budget targeted to support NNGDOs. Although they continue to enjoy good relationship with the central government and its agencies, it has not translated into direct financial support. The potential of MMDAs to support NNGDOs was questioned because respondents claimed they were resource constrained and heavily dependent on central government transfers. Inadequate financial support was reported by respondents as one of the major challenges affecting their engagement with MMDAs. Five NNGDOs claimed to provide resources to assist some MMDAs. Since MMDAs are themselves struggling to survive, it becomes impossible to expect any significant financial support from them. A respondent asserted that: "if you rely on any government agency at the district level, the resources will not come because the agency itself doesn't have the quarterly release to undertake its mandates, let alone helping an NGO" (NNGDO 14). In addition, respondents explained that the 2016 general election had shifted government's focus towards their political financial needs in campaigns rather than supporting institutions including NNGDOs. In periods of election, the focus of ruling elites and coalitions is on their own political survival which in turn affects national resource distribution (Key Informant 1, 4).

This notwithstanding, three donor representatives explained that the majority of their support was channelled through government institutions rather than direct funding to NNGDOs as part of new funding modalities. They argued that the aim was to build the capacity of government institutions to provide the needed social services and governance structures following the country's transition to LMIC status. The expectation was that these institutions would play a major role in Ghana's development especially when DPs withdrew their support. Donor representatives indicated that this was part of their exit strategies in Ghana (Donor 1, 3, 4). In this regard, NNGDO respondents mentioned seeking government funding through competitive bidding process and had received contracts from the Ghana AIDS Commission, Ghana Health Service and Ministry of Food and Agriculture. Among the programmes mentioned by respondents were the Integrated Innovative Community Intervention to reduce HIV New Infections and Accountability Loop Budget Advocacy (ALBA) Project.

Nonetheless, these funding opportunities were reported as very small and unpredictable because NNGDOs were sub-recipients of donor funding channelled through government agencies. It was also alleged that getting government funding was highly political and depended largely on one's personal connections. One Executive Director shared his experience by stressing that "...all government institutions that are supposed to provide grants are manipulated politically. You must know some political party or someone in a higher office before you will be able to get funding". The same respondent stressed that his personal connections enabled him to acquire funding from a government-sponsored agency by stating that:

I can tell you I got the loan of GH¢22,000 because the boss was my classmate. I went there and told him we need money and immediately he said, come and take the forms and submit the application. So at that level, because I knew him, it was easier (NNGDO 31).

The use of personal connections between NNGDO leaders, government officials and politicians blurs the distinction between the state and NNGDOs. However, such connections create possibility for government officials to channel resources to their own established NNGDOs or those of close friends. It was an overarching concern raised by respondents. Five donor representatives and three key informants mentioned instances where NNGDOs were deliberately set up in anticipation of upcoming grants. For instance, a bilateral donor representative shared her shock at learning that her organisation was unable to locate a number of NNGDOs that had received funding during a project's evaluation process. The respondent explained that some organisations set up just to receive funds after which they go into hibernation (Donor 3). This was largely attributed to the loose nature of the due diligence process undertaken by donor agencies that only focuses on report writing (Key Informant 4).

While government funding served as an alternative resource, five respondents suggested that they were unwilling to accept it for fear of being tagged politically as stated by one respondent: “we don't want to be tied to the aprons of any particular political party because when you do that, you go out [collapse] with the government when a new party is in power” (NNGDO 1). The show of political neutrality was a deliberate survival strategy. Other NNGDOs engaged in advocacy issues did not accept government funding to avoid being co-opted because as one respondent stated “you cannot bite the hand that feeds you”. Despite these concerns, some respondents spoke about the beneficial impact of their relationship with some government institutions. Aside from financial support, ten NNGDOs reported collaborating with government agencies to undertake projects and programmes. It is worthy of note that NNGDO-government partnership took the form of non-material resources including information sharing and capacity building. Indeed, there were several instances where NNGDOs reported using the services of MMDAs staff and conference halls for programmes. This indirectly helped in reducing administrative costs. Three respondents also mentioned the need for approval to operate in some communities and villages which required working through MMDAs to make a good community entry.

### **6.3 Diversification through holding onto external donor resources**

Another strategy used by twenty-two NNGDOs relates to the manner in which they seek funding and support. For these NNGDOs, it was a common experience for them to secure diverse external sources of funding. The operating landscape was reported as fast changing and had forced NNGDOs to reposition themselves by not putting their “eggs in one basket” but rather seek multiple external donors funding. The rationale was to help cushion against uncertainty in financial inflows. The attempt to diversify donor funding base was deliberate as explained by one Executive Director in the health sector:

We are diversifying our funding sources. We have more than 10 donors supporting our projects for the FY 2015/2016. Our donors include USAID, FHI360, Cross Roads International, Global Fund-ADRA and Global Fund- Stop TB (NNGDO 6).

The above statement suggests that despite the perceived dwindling donor funding, some NNGDOs are able to attract several donors and raises important question about the factors accounting for this. Donor funding was the dominant resource mobilisation mechanism for many NNGDOs. Although they were trying to become financially independent, their survival and sustainability was dependent on availability of donor support. For this reason, in their quest for diversified funding, almost all NNGDOs were aggressively responding to different grant application processes.

The Director of NNGDO 20 explained that on an average, he responds to about 8-10 funding applications monthly. In responding to multiple donor applications, ten NNGDOs were engaged in “donor scouting” (i.e. NNGDOs are always on the lookout for advertised funding opportunities by subscribing to daily newspapers or spending much time on the internet). The aim was to ensure that no funding opportunity went unnoticed indicating the extent to which information needs act as a burden for management. One Executive Director offered this perspective on donor scouting:

What I do every morning is when I come to the office, I scout for potential donors. That one is constant. At least your first two hours, you should scout for calls for proposals by checking the internet or newspapers (NNGDO, 20).

In their attempt to diversify donor funding, small and medium-sized NNGDOs with perceived weak organisational capacity reported using the services of consultants in their proposal writing in an attempt to impress donors because of “donors’ preference for catchy proposals which makes NGOs to be too ambitious and lose touch with reality” (NNGDO 22). Eight NNGDO respondents suggested that those able to write catchy proposals were more likely to win grants but sometimes their implementation became a challenge. In an attempt to impress donors, one respondent whose organisation uses consultants explained that although they wrote a “nice proposal” and won the grant, during project implementation, agreed targets were unmet because of some technical issues. This resulted in contract termination and refund of project funds which had also affected its reputation with the donor (NNGDO 27). Reports of donors terminating contracts were common among NNGDOs.

Quite surprisingly, eight NNGDOs did not have permanent donors but their ability to secure different funding streams ensured that when one donor exited, another was brought in. Diversification of donor base ensured the continuous inflow of funds and projects and thus prevented a situation of no projects. It is important to stress that diversification of donor base was common among large NNGDOs. One respondent disclosed:

In ensuring that we maintain a diversified funding, we apply to multiple external donors. So at any point in time, we have multiple funding coming in. Last year, we were running 18 different projects. If one donor is leaving, another one is coming (NNGDO 3).

On the other hand, seven respondents of small and medium-sized NNGDOs reported not receiving funding from donors for the last two years despite numerous applications. For NNGDOs that relied on a single donor, attempts to diversify resource base were met with fierce resistance. The perception of donors was that having multiple funders would result in the division of NNGDOs’ commitments on their projects. One respondent stated that:

At the beginning, Donor 1 didn’t want any rivalry so they didn’t want us to diversify our funding by saying that don’t take other donors’ money and add to ours (NNGDO 17).

## **6.4 Diversification in thematic areas and operations**

### **6.4.1 Thematic diversification**

Twenty respondents explained that their engagement in thematic diversification was informed by the need for funding during the early stages of formation. For most NNGDOs, the decision to engage in thematic diversification was influenced by two main factors: discretion of organisational leaders and pressures placed on leaders by donors. Respondents explained that it was common to see NNGDOs (small and large) shifting their strategic focus in response to changes in donor priorities. For these NNGDOs, the need for survival was more important than maintaining a strategic focus because as one respondent puts

it: “we need to survive to be able to tell our story and say that we operate in education or health” (NNGDO 2). Speaking about how the need for survival drives NNGDOs to engage in thematic diversification, a representative of an INGDO working with NNGDOs across the country explained:

For most NGOs, because they are looking for funds from so many sources to survive, when an INGDO approaches them that we want you to go into health, they need the money and so they will go into health. Oh, I want you to go into education, they will take the money and go into that area (Donor 8).

For this reason, many NNGDOs were found to be following the money and not their strategic focus. As one respondent lamented: “for most small NGOs, funding is their issue so anywhere it is going to come from, they are happy to take it. They don’t care if it will change their strategic focus” (Donor 7). This according to some respondents had negative effects in distorting their strategic focus and orientation. As one donor representative lamented:

I have to be honest with you, a number of local NGOs have been spoilt by external donors just because of the money syndrome. As soon as an external body comes in, then their orientation and focus areas begin to change. That is why most NGOs do not exist for a long time because they are unable to handle the demands placed on them due to their weak capacity (Donor 6).

Clearly, respondents criticised NNGDOs engaged in thematic diversification for reasons such as potential goal displacement, inability to acquire in-depth knowledge in specific sectors, identity crisis and subsequent loss of credibility and donor funding. Accordingly, thematic diversification affected performance as NNGDOs tried to meet onerous requirements of different donors. The Country Director of an INGDO explained how thematic diversification affects NNGDOs:

It keeps them under enormous workload and sometimes they can’t cope with the workload. They are always under pressure all year round and it affects the quality of delivery because they have too much work on the staff. Reports are always delaying and this is usually the problem with most local NGOs we partner with (Donor 7).

While some respondents saw thematic diversification as negative, twelve NNGDOs respondents refuted such claims by arguing that it rather gave them access to strategic partnerships and also gained experience from running different programmes. This helped them to mobilise resources to cater for overheads. Majority of donors provided between 5-15% of project funds to cater for administrative expenses. For this reason, having different projects was crucial as one respondent puts it: “It’s always good for us to try and have more than one project at a time so that while this project is one year, then you enrol another for two years, and so in that way, you keep your NGO running” (NNGDO 14). For NNGDOs in thematic diversification, a common experience was their ability to develop multiple skills in handling different projects at a time. The empirical findings suggest that the development of multiple skills was common among executive directors and programme managers who play both management, coordinating, supervisory and implementing roles at the organisational and project levels. Most field staff did not have relatively such multiple skills because they were employed on contract-basis.

#### **6.4.2 Operational diversification**

Seven respondents pointed out that operational diversification occurred with new activities and programmes that complemented their original strategic focus. While NNGDOs stuck to their core thematic area, they expanded their operations aimed at meeting the needs of intended beneficiaries and donors. This was common among large NNGDOs that have developed a specialised niche within particular sector(s) based on their experience. Thus, more programmes were added to their portfolio mix as organisations

began to grow. This is also not to suggest that operational diversification was limited to large NNGDOs. In fact, eight small and medium-sized NNGDOs engaged in operational diversification. The Programmes Manager of a specialist NNGDO in education explained that they started with access to education but gradually added quality basic education and were implementing community empowerment in their educational programmes. For NNGDO 24, the respondent indicated that they were downscaling access to basic education in order to ensure functional specialisation in community empowerment in the long-term. It also emerged that donor priorities and community needs were key determinants of operational diversification. Respondents felt programme expansion was in response to donor request as explained below:

We got to a point when our donors said introduce something we call educational mainstreaming. So we started training teachers to take our methodology to public schools. Then gradually we brought in advocacy to get policy makers to accept the methodology (NNGDO 24).

In responding to donor priorities and new funding modalities, more than eight NNGDOs had shifted their programmes from service delivery to social accountability issues. For these NNGDOs, service delivery in hard infrastructure was no longer a priority because donors were less interested. Additionally, in the absence of funding, a pragmatic step was deliberate engagement in social accountability because service delivery required huge financial resources. One respondent shared his experience:

In time past, we were building schools and complementing the efforts of government in education. But today, we only engage firmly in advocacy. This is also a way of reducing the amount of resources we will need as compared to service delivery and it's a strategy to cope with the dwindling funding support (NNGDO 17).

On the part of donor representatives, they explained that service delivery interventions were unsustainable and their core mandate was to build governance structures to provide the needed services for citizens. For example, one donor representative felt that service delivery was the sole responsibility of government and their effort in complementing government had not achieved as much result as expected. In this regard, focusing on demand-driven grant by empowering NNGDOs and intended beneficiaries to hold duty bearers to account was donors' priority (Donor 3). However, the challenge with this shift was that funds for social accountability issues were reported as relatively small. Interestingly, more than half of respondents felt there was a clear mismatch between intended beneficiary communities' priorities and donors' interests in social accountability. According to NNGDO respondents, intended beneficiaries were more interested in service delivery interventions because it met their immediate needs. However, given that service delivery is outside donor priorities, NNGDOs were unable to provide such interventions.

Indeed, although donors were interested in social accountability issues, what was quiet surprising was that they hardly paid attention to building the capacity of NNGDOs to transition from service delivery to social accountability. NNGDOs that failed to transition into social accountability interventions struggled to mobilise the needed financial resources because many funding applications were geared towards it. An example was the US\$9.3 million USAID sponsored Ghana Strengthening Accountability Mechanisms (GSAM) Project. From the above illustrations, it was clear that donor interests and priorities largely determined which sectors many NNGDOs engaged in, as one respondent puts it "We must dance according to their [donors] tune and for now, very few local NGOs are doing service delivery" (NNGDO 30).



While donor interests played a role in operational diversification, the need to meet intended beneficiaries' needs cannot be ruled out. The rationale for operational diversification was summarised by one respondent as follows: "sometimes, you go into a community and the first problem you start dealing with highlights others" (NNGDO 7). Due to the integrated and interconnected nature of intended beneficiaries' needs, respondents pointed out that they had to expand their activities to meet such needs. For example, NNGDO 16 in order to achieve its primary goal in sexual and reproductive health, introduced education and accountability as other programme components. NNGDO 20 also reported developing water and toilet facilities into their educational programme because it affected children's ability to stay in school. Respondents were of the view that organisations unable to meet the needs of intended beneficiaries were perceived as having limited impact, which also affected their credibility and legitimacy. Moreover, meeting the integrated needs of intended beneficiaries signified elements of accountability. In some instances, respondents claimed to have collaborated with other specialist NNGDOs to provide services, however, it was reported that intended beneficiaries found it more convenient establishing and building trust with one NNGDO in meeting their multiple needs due to the influx of many NGOs. A respondent shared his field experience:

Sometimes you come to a village and you find CARE, ActionAid, TreeAid and other local NGOs and they are all coming to talk to the same villagers. So from the communities' perspective, it is too many NGOs taking their time and worrying them. So sometimes, if one strong local NGO is able help them deal with different issues, they find it more convenient (Donor 7).

A common challenge faced by specialist NNGDOs was increased competition for limited funding opportunities. Although specialisation enhanced organisational competence, identity and credibility, it was also reported to have limited opportunities. In an environment of limited funding and increased competition, specialisation can be a dangerous strategy to adopt. Seven specialist NNGDOs explained that their sustainability is threatened because of their inability to secure funding in their specific sectors. For instance, one specialist NNGDO in Complementary Basic Education (CBE) reported experiencing competition with other NNGDOs after it became a popular concept in the education sector. Initially, funding was easier because it was the only NNGDO implementing the programme as the respondent puts it:

Now we have as many as ten NGOs implementing the CBE programme in five regions of the country. It has become a competition and they [the new NGOs] do not say that because you started, pick the districts you want to work in and share the rest among us. Donors open bid for proposals and we all compete. So you see that we are risking our chances of survival (NNGDO 24).

#### **6.4.3 Locational diversification**

A more subtle form of diversification practised by NNGDOs was locational diversification. In their quest to upscale programmes and projects, NNGDOs engaged in locational diversification by expanding their operations to new geographic areas. Locational diversification involved expanding reach of activities in order to secure different streams of funding. Twenty NNGDOs were operating in more than five MMDAs within the same region while others increased their reach by having a national coverage. Three NNGDOs reported operating in more than 80 MMDAs across seven regions indicating the sheer level of locational diversification. It was influenced by increased community needs, organisational visibility and desire by donors to upscale their success in order to promote demonstrable impact of their interventions. NNGDOs upscaled their operations to other communities when they grew in size and performance, illustrated in the case of one organisation that started as a small NNGDO but had grown to increase its operational areas to eleven districts in the North. According to the Executive Director, the organisation serves between 1000 and 4500 intended beneficiaries in education, agriculture and WASH (NNGDO 32).

It is important to stress that given the relatively scattered nature of most rural communities especially in the North, the settlement pattern sometimes compels NNGDOs to engage in locational diversification.

A striking observation was that NNGDOs deliberately embarked on locational diversification as a way of increasing their visibility to access donor funding. To some respondents, the impact of NNGDOs operating at the district and regional levels are localised and not felt nationally because of limited scale of influence. This affected their reputation at the national level which determined the extent of funding opportunities they could tap into. This is because NNGDOs' reputation (i.e. brand and visibility) was reported to be a major determinant of its authority. Donor representatives concurred with this proposition where one suggested that her outfit had difficulty funding regional and district-based NNGDOs because their impact and reputation had limited reach. For this reason, they were investing in mechanisms that would ensure the uptake of successful regional and district level projects to have national coverage (Donor 3).

At the time of data collection, it was clear that the locational diversification strategy adopted by NNGDOs was fuelled in part by donor demands to upscale operations. Speaking about how they expanded their WASH activities into other districts in the North, one respondent stated that: "...when the donors studied our WASH programme and saw how it worked, they didn't relax at all. They made every effort for us to scale up our activities in order to cover other districts" (NNGDO 20). It is important to stress that since many NNGDOs' interventions are projectised, engaging in locational diversification did not necessarily require establishing physical presence (i.e. offices) in all their operating districts. NNGDOs with national character were found to have regional offices that coordinated their activities at the district and community levels through field officers. Respondents explained that they had downscaled their operations in other regions and districts. This was common in areas where funding for particular projects had ended. By doing so, NNGDOs diversified into other geographic areas that were perceived to have potential in attracting funding.

## **6.5 Conclusion**

This chapter has provided a detailed examination of how NNGDOs employed resource diversification as a dominant survival strategy. The chapter highlights that three main forms of resource diversification are used. First, financial diversification through an increasing turn to commercialisation in self-financing and social enterprise. Second, NNGDOs' engagement with alternative domestic resources, comprising corporate philanthropy, volunteering and government funding. Third, NNGDOs seek to retain external donor funding through thematic, operational, locational, and non-material diversification. The analysis in this chapter has demonstrated that NNGDOs' engagement in commercialisation is far from new. However, in particular, social enterprise is an emerging phenomenon, but its potential to ensure long-term sustainability is unknown. The chapter further highlighted that although donors are repeatedly calling NNGDOs to become sustainable, they offered little support to them specifically to transition from their dependency. Ironically, the empirical findings suggest that donors were more interested in promoting and perpetuating NNGDOs' dependency rather than their sustainability. This chapter has again shown that by subjugating themselves to donors, NNGDOs were able to diversify their thematic, operational and locational areas. It demonstrates their proactiveness in managing their institutional and environmental challenges. In the following chapter, I turn to explore other seven strategies employed by NGDOs in responding to uncertainty in their operating environment.

## Chapter Seven: Other strategic responses

### 7.0 Introduction

The previous chapter examined resource diversification as a dominant strategy employed by NNGDOs. This current chapter builds on this by exploring seven other strategies employed by NNGDOs, identified through thematic analysis. These are: i) networking and partnership; ii) cost recovery; iii) branding and visibility enhancing strategies; iv) conformance to institutional pressures; v) strategic planning; vi) avoidance; and vii) influencing.

### 7.1. Typology of NNGDOs' networks and coalitions

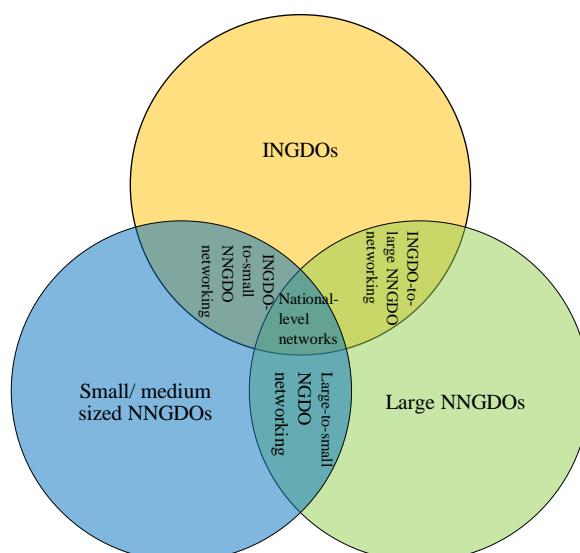
The engagement of NNGDOs in networks and coalitions is far from new. However, I observed that twenty-eight NNGDOs gave it a lot of attention as part of their survival strategies. Networking among NNGDOs occurred at four different levels. First, large-to-small NNGDOs' consortia and sub-grantee relations. Second, INGDO-to-small NNGDOs' sub-grantee relations. Third, INGDO-to-large NNGDOs' consortia and sub-grantee relations. Last, NNGDOs networking at the national level (Figure 7.1).

### 7.2 The emergence of consortia

#### 7.2.1 Large to-small NNGDO consortia and sub-grantee relations

A common strategy used by nine large NNGDOs was the development of ties and networks with like-minded small NNGDOs. This took the form of consortium where they came together and wrote joint proposals for funding and project implementation. There was a growing interest and desire for partnership through consortia among NNGDOs. For example, in the health sector, the Executive Director of NNGDO 3 explained that her organisation in consortium with NNGDO 21 were implementing a UKAID sponsored programme on behaviour change communication campaign on Malaria, Cholera and Ebola prevention across ten regions of Ghana. NNGDO 3 was the lead applicant and signed a teaming agreement with other small NNGDOs as co-applicants. Although these NNGDOs worked together on funding applications, each maintained its identity and autonomy. However, in many instances, individual autonomy was compromised for the benefit of collective interests. Partnership through consortia was sporadic because its existence depended on the availability of calls for proposals. In the absence of donor projects, their relationships took place only during training workshops and meetings rather than day-to-day engagement with one another.

Among the factors that fuelled large-to-small NNGDO consortia was shifts in donor funding modalities from direct individual funding towards consortia. During interview, six donor representatives explained that working in consortia had the greatest impact compared to funding individual NNGDOs as stated by one respondent: "For the purpose of impact making, we want them to work together because if they come together, they build on each other's strength. Now working together is part of the guidelines for grants application" (Donor 3). This was a common experience across all funding application windows for NNGDOs. For instance, the eligibility criteria for prospective NNGDOs seeking funding was stated as follows: "organisations should have linkages with other civil society organisations at district and local levels to leverage additional capacities" (Appendix 10). For this reason, working in consortia or belonging to a network of NNGDOs conferred some amount of credibility and also indicated compliance with donor requirements. However, since NNGDOs formed such networks to comply with donor requirements, it was regarded in the words of one respondent as "artificial marriages" because "many NGOs will just rush to form consortia when they see there is a funding opportunity coming" (NNGDO 31). Similarly, a donor representative indicated that bringing NNGDOs to work together does not lead to "true partnership but rather breeds problems for them". Accordingly, she maintained that although they recognised the inherent problems associated with asking NNGDOs to work together, their aim was to "avoid duplication of efforts by NGOs" (Donor 3).



**Figure 7.1:** Typology of NNGDOs' networking

**Source:** Authors' construct

A critical enabling factor for donors' insistence on consortia was the lack of perceived organisational capacity especially among small NNGDOs. Speaking about how their capacity compelled them to join bigger NNGDOs in consortia, the Executive Director of NNGDO 23 explained that his organisational capacity made it impossible to secure funding independently. For this reason, the formation of ties with other big NNGDOs was a conscious and opportunistic strategy for meeting donor funding requirements. A typical funding requirement reported by thirty-three NNGDO respondents was their ability to demonstrate that they had handled a certain amount of grants portfolio (see Appendix 11). However, since many small and medium-sized NNGDOs had no experience of handling huge donor grants, the pragmatic step was to pool individual budgets together in meeting such requirements. The Executive Director of NNGDO 27 explained:

Some funding requirements are such that one organisation cannot meet it. So sometimes, a donor will say, for this grant, the organisation will have to hold at least an amount of US\$500,000 a year. The small NGOs like us, there is no way anybody can meet that requirement but if we pool our accounts together or join the bigger NGOs, we are able to meet that (NNGDO 27).

Aside from helping especially small NNGDOs meet donor funding requirements, consortium was an important mechanism through which they sought to upscale their activities and influence where they built on the strength and experience of other organisations. By doing so, they leveraged their experience together and served as a useful way of demonstrating their impact and having access to funding opportunities. Twelve respondents mentioned that consortia had resulted in an increase in their annual budget compared to when they applied for funding independently as illustrated below:

Our financial situation is improving over the last five years as a result of strategic partnership in consortium. On yearly basis, we've not managed less than GHC6 million (US\$1.6 million). The last grant we are managing now is getting roughly to about GHC10 million (US\$2.6 million) (NNGDO 32).

A recurrent theme was donors' interest and desire to channel funds through large and well-established NNGDOs. These organisations were perceived as having technical and organisational capacity, had gone through due diligence processes and would be able to deliver on projects. The rationale according to donor representatives was to ensure that their "system is robust enough to fight against corruption and malfeasance" (Donor 4). In funding applications, lead NNGDOs were responsible for meeting measurable project targets, direct reporting to donors and took full responsibility for project outcomes. They played an intermediary role and small NNGDOs had no relationship with donors. During interviews, five donor representatives concurred with this assertion and argued that they did not have direct contact with co-applicants but rather expected lead NNGDOs to coordinate and monitor small NNGDOs. One respondent puts it this way: "so it is the bigger NGO's responsibility to have a close monitoring because they are closer to them [small NGOs]" (Donor 3).

Given the risk and uncertainty involved, respondents of large NNGDOs explained that they had high preference for organisations they had partnered before that they could trust. However, in instances where new co-applicants were recruited, strict eligibility criteria were used (NNGDO 8). Although consortia partners' inputs were required in writing grant proposals, lead NNGDOs mainly decided on how much funding was allocated and disbursed based on organisational capacity and agreed targets to be achieved. This was outlined in teaming agreements between partners. However, thirty NNGDO respondents reported that signing of formal partnership agreement was not a common practice mainly because of the informal nature of their relationships. For this reason, they relied mostly on informal accountability mechanisms built around trust and personal networks because the NNGDO sector was more of "friends within friends or friends within organisations" (NNGDO 19). Although partnership was built on inter-personal connections, project targets had to be achieved on professional grounds. Eight big NNGDO respondents expressed concern that the inability of their small counterparts to meet project targets had dire consequences. For example, a donor representative described how they severed relationships with NNGDOs whose performance were considered poor by stating that: "we sign an MOU with the lead NGO but if at the end of the day their performance is very bad or when we find some irregularities, then we sever our contract and relationship with them" (Donor 8). The donor retained the right to terminate projects if an NNGDO breached the terms and conditions but NNGDOs could not do otherwise.

It was therefore not surprising that five NNGDOs indicated that their relationships with some donors were ad hoc. While severing relationships and project termination helped in distinguishing performing and non-performing NNGDOs, it affected opportunities for subsequent funding because blacklisted NNGDOs were ineligible to apply for donor grants (see Appendix 10 and 11 for details). For instance, the Executive Director of NNGDO 27 explained that he had not applied for funding from Donor 2 because his organisation was blacklisted for misappropriation of funds by a project officer. The reputation and credibility of blacklisted NNGDOs became a challenge for management because donor representatives with experience of misappropriation communicated among themselves to warn others. Representatives of large NNGDOs that had experienced project termination explained that in some instances, it was caused by the inability of small NNGDOs to meet agreed targets. For instance, the Executive Director of NNGDO 22 shared his experience by disclosing that:

We the bigger NGOs have problems because we give funding to the small NGOs and at the end of the day, we are chasing them for reports. Also, because donors don't know that small NGO and it's you they know, you become a bit uncomfortable (NNGDO 22).

Such failures were attributed in part to the verbal or gentleman's agreement nature of their engagement with small NNGDOs which made it challenging to take legal actions. Informal accountability based on personal relations gave NNGDOs access to material and symbolic resources. For this reason, respondents were cautious not to damage such relations, as one respondent puts it: "because we don't want to hang out our dirty clothes in public, we keep quiet" (NNGDO 3). Contrary to such assertions, a representative of a small NNGDO explained that attempts to sign legal binding agreements were often rejected because "bigger NGOs will vehemently insist that signing teaming agreements is not necessary because they have used their organisations' brand, name and goodwill in attracting the funds" (NNGDO 19). The above comment shows the extent to which inter-personal relations can serve as a double-edged sword that promotes and constrains cooperation among NNGDOs.

In their quest for visibility and access to funding opportunities, small NNGDOs were less concerned about signing binding agreements. The effect was that it affected their performance on projects because it was reported that large NNGDOs often gave them little funds, but were expected to achieve much results. The Executive Director of a small NNGDO explained why he did not sign partnership agreements:

In most consortia, there is no signing of agreement because the small NGOs would even run to the big NGOs to pull them along. A case in point is my organisation. I am trying to create visibility, so any NGO who wants to partner me, I will go and will not even think of signing an agreement. Because of this, when they give you any funding, you can't say much (NNGDO 23).

The use of small NNGDOs as co-applicants of big NNGDOs was a deliberate donor strategy to reduce transaction costs and demands placed on their limited staff. For example, a donor representative explained that they require big NNGDOs to work with small NNGDOs because "we don't have the capacity to monitor several grants to different NGOs at the same time" (Donor 3). In addition, according to three donor representatives, using big NNGDOs as intermediaries was a strategy for building their own reputation because it helped them to reach out to many small NNGDOs. For instance, one donor representative stated that "if you have ten grants and seven NGOs [one intermediary, six grantees] are handling one grant, it means in total, we have supported seventy NGOs" (NNGDO 4). He argued that without the use of co-applicants, only ten big NNGDOs would have benefited from their grants and this would have affected their reputation and efforts to maintain their brand as the "lead of all donors" (Donor 4). For this reason, all efforts were made to ensure that their reputation was not questioned. By supporting several small NNGDOs, the donor took credit as a legitimate sponsor while NNGDOs also got the funds for project implementation suggesting an interdependent relationship. It also indicates that the use of symbolic resources for reputation building was not limited to NNGDOs.

### **7.2.2 INGDO-NNGDO consortia and project implementation**

INGDO-NNGDO relationships occurred at two levels: i) joint proposal writing through consortia; and ii) project implementation. The formation of loose consortia between INGDOs and NNGDOs was a recurrent theme. Having an INGDO as a consortium partner increased the chances of NNGDOs securing funding due to changes in donor funding modalities as described by one Executive Director:

Now a lot of the work is consortia with INGOs. Currently, we are working on the Ghana Strengthening Accountability Mechanism. It is a consortium between IBIS, CARE and ISODEC. In 2015, we had about 3-4 types of such opportunities mainly in the form of projects from consortia (NNGDO 22).

Another respondent also added:

We are also part of a consortium on Social Public Expenditure and Financial Accountability. SNV is leading the consortia of NGOs. We have been given some roles to play and that means getting additional funding (NNGDO 11).

Other examples of INGDO-NNGDO consortia mentioned by respondents include Northern Ghana Government Activity Project, Food and Agriculture Recovery Management Project (FARM Plus), Communicate for Health (C4H) and Ghana Partnership for Education. The growing interests in consortia had created competition among INGDOs for national partners. This presented tough decision-making challenges for NNGDOs in choosing which INGDOs to partner with, due to the risks involved. Three respondents recalled instances where they left their long-standing funders to join other INGDOs in consortia but were unsuccessful. One Executive Director shared his experience about making a tough decision to join IBIS and had to forgo ActionAid which was the main donor in applying for consortia funding (NNGDO 22). Interestingly, ten respondents reported that in some instances, although the names of NNGDOs were used in writing project proposals, upon grant approval, INGDOs engaged in open competitive bidding. NNGDO respondents explained that donors' inflexibility and close-mindedness often created tension and mistrust in their relationships with INGDOs as explained by a failed applicant:

The INGDOs will use the profile of the local NGOs because sometimes it is a requirement that they need a Ghanaian NGO. But when the grant is ready, they will find excuses and push you to the wall. They say we have to do a competitive bidding. You see, it's just bullying because they're big. It's very difficult to fight for your rights (NNGDO 27).

In responding to such concerns, two INGDO representatives explained that after proposal submission, donors micromanaged projects by undertaking the selection process for NNGDOs of which they had relatively limited discretion. One respondent stated that: "for projects, the donors will have specific guidelines for the selection of local NGOs and how the funds should be used" (Donor 8). During interview, three INGDO representatives explained that in recent years, although they supported NNGDOs, they had become directly engaged in the implementation of their projects. They played coordinating roles like capacity building (e.g. training partners on financial management and report writing) and monitoring and evaluation of projects through their national headquarters and regional offices. The Project Coordinator of an INGDO explained:

So you look around for dependable, reliable and capable partners on the field and they become our foot soldiers. So because of that, depending on the nature of the work, we go out there doing head-hunting of local NGOs and our responsibility is to coordinate all their activities (Donor 6).

Project conceptualisation was largely INGDO driven although there were instances where three NNGDOs claimed they were involved in setting project targets, indicators and objectives. This occurred at project design stages where they collected baseline information but the final decision about which components to fund, project locations and targets were determined by INGDOs.

Additionally, in ensuring that they adhered to funding requirements, INGDOs insisted on mechanisms such as corporate governance and operational management principles including having credible board of directors, proper annual auditing, following standardised reporting, transaction format and documentations. The rationale according to INGDO respondents was to promote sound management principles, accountability and transparency which they perceived as key determinants of organisational

sustainability (Donor 6, 7, 8)<sup>13</sup>. Due to the increasing emphasis on outsourcing and direct project implementation, project ideas that did not originate from INGDOs were rarely funded. However, if such projects were funded, modifications were made to meet INGDOs' preference. The Country Director of INGDO 7 described the shift from unsolicited proposals as follows:

Currently, we are more involved in the implementation. We have moved away from unsolicited proposals where people sent applications, you wait for them to work and send reports. Now we have moved to a point where we are technically involved in the work at the grassroots (Donor 7).

As part of the outsourcing mechanisms, solicited proposals became the dominant mechanism through which NNGDOs were supported. A key informant describing the recent donor funding modalities in Ghana lamented that: "major development partners like the USAID, DANIDA, UKAID and even INGDOs don't fund unsolicited proposals. They think that all funding should be channelled through pooled-funding mechanism or be implemented directly by their country offices and INGOs" (Key Informant 2). As part of the funding application process, many donors had shifted towards template-based applications where NNGDOs responded to specific questions under strict word count (Appendix 11). The rationale was to ensure standardisation of results which limit appraisal costs. These templates according to three donor representatives were used as "marking schemes" for selecting their implementing partners. Speaking about donor obsession for template applications, the Executive Director of NNGDO 31 had this to say:

These days they've got some templates and yours is just to download and provide the answers. The donors will develop a template to match what they want and this generic template cuts across. Sometimes you struggle to even understand it (NNGDO 31).

Selection of implementing partners was the sole responsibility of INGDOs. Mechanisms such as INGDOs' knowledge in the field, personal contacts and recommendations by other NNGDOs were used in selecting implementing partners. However, in some instances, INGDOs directly contacted NNGDOs that had implemented their projects in the past. The Executive Director of NNGDO 20 explained that INGDOs including WaterAid and SNV often contacted and pre-informed him of upcoming funding opportunities and also acted as referees when applying for funding. Although it indicated some level of credibility, experience and good reporting systems, it did not guarantee automatic selection. Recommended NNGDOs still went through due diligence process. This was regarded by respondents as "quite strict" but strengthened their governance systems.

Competition for limited resources between INGDOs and NNGDOs was a major concern raised by respondents. According to two key informants and three donor representatives, many INGDOs' country offices in Ghana were faced with financial difficulties and had been charged by their headquarters to become financially self-sufficient. For example, it was reported that INGDOs like World Vision Ghana had embarked on restructuring of its Area Development Programmes with the view to improving financial and organisational efficiency while IBIS had merged fully with Oxfam to become Oxfam-IBIS due in part

---

<sup>13</sup> Respondents explained that organisational sustainability is about their ability to make substantial investments into their governance systems and structures in order to ensure their continual survival. It focuses on building their own capacity and leadership over time. In doing so, they are able to stay focused to their mission, organisational principles, build reputation, develop relationships with stakeholders and continue to remain relevant within their changing operating environment. The aim of organisational sustainability is to help them adapt to changes in their environment.



to financial challenges. Other INGDOs had also laid off staff and downscaled their operations (Key Informant 2, 4, Donor 3, 5, 6). For this reason, INGDOs had acquired local registration status which gave them the opportunity to mobilise funds domestically in Ghana (Key Informant 4, 8; NNGDO 12). It was reported that funding opportunities for NNGDOs had become limited given that INGDOs use their brand and capacity in overshadowing them. A respondent lamented:

Now they [INGDOs] source for the same funding as local NGOs and because they have the credibility and experience, they always win when competing with us (NNGDO 8).

Another respondent expressed similar view by stressing that:

INGOs like CARE and Plan International, they already have established systems and qualified staff. It makes it easy for them to win grants than we the local NGOs coming together to do it. You just have to partner them so that when they win, they give you something small because if you apply against them, you cannot win (NNGDO 27).

Direct funding especially from American and European donors was channelled through INGDOs originating from those countries rather than NNGDOs. Four key informants pointed out that many USAID and UKAID sponsored projects were usually given to INGDOs like CARE International, FHI360, World Vision International, ACDI-VOCA and international consultants (e.g. Palladium and Chemonics) as direct implementers. Typical examples were the UKAID sponsored Ghana Adolescent Reproductive Health Programme implemented by Palladium and USAID sponsored projects like Agricultural Development and Value Chain Enhancement (ADVANCE II and I), Resiliency in Northern Ghana (RING) and Agriculture Policy Support Programme implemented in Northern Ghana by ACDI-VOCA, Global Communities and Chemonics respectively. Respondents lamented that although a number of projects were taking place in Ghana, these were given to INGDOs to the neglect of NNGDOs. Accordingly, this had accounted for the increasing phenomenon of “foreign NGOs setting up in Ghana and something that a local NGO could have done easily, they [donors] will say we don’t have the capacity and skills to do that” (NNGDO 11).

During key informant interviews, donor representatives confirmed directly that they thought many NNGDOs lack the “absorptive capacity to handle huge grant portfolios”, where absorptive capacity was equated to NNGDOs’ financial position and track records (i.e. annual turnover and projects managed). The implication is that it fuelled donors’ disposition towards INGDOs rather than helping NNGDOs to grow. According to a donor representative, channelling funds through INGDOs was a useful way for NNGDOs to learn from INGDOs because they had robust governance structures. A respondent affirmed this assertion as follows:

Donors are now in the driving seat and when a donor gives you funding, they need an international NGO to partner with the national NGO to ensure proper reporting and accountability mechanisms. So if you don’t have that foreign partner, there is no way you can apply for that project (NNGDO 8).

Although donor representatives claimed to support NNGDOs’ organisational growth and development, it did not go beyond training in proposal writing and recommendation letters. During interviews, all donor representatives openly admitted that their support for NNGDOs’ organisational sustainability was limited. This was on the basis of past experience where funds meant for building capacity were used for personal gains. Two donor representatives mentioned that G-RAP provided funding meant for building the capacity

of NNGDOs but at the end “the NGOs collected money in the name of increasing their operational capacities, but there was nothing to show. So based on the experience of G-RAP, it is prudent not to give out resources that we can’t account for” (Donor 3).

### **7.2.3 National level networks and coalitions**

The joining of networks and coalitions at the national level was a common strategy employed by twenty-nine NNGDOs. Interviews with NNGDO respondents and senior members of networks and coalitions revealed that they served as important source of information on potential funding opportunities. Information on calls for proposals was passed on from the national secretariats to regional executives and their members. One coalition member explained that:

Now resource mobilisation is more about coalitions and networks. So if you are there, the information they are sharing, you can also tap into them to move forward. That is what I now use to be able to fill the funding gaps (NNGDO 18).

However, concerns were raised about the unwillingness of some members to share their funding information but attended network meetings “just to gather information to build their organisation” (NNGDO 19). Joining networks and coalitions also provided access to symbolic resources like organisational visibility, reputation and marketability. The Programmes Director of a small NNGDO said that being a member of a network “put you out in the world for other people to see you” especially when they joined coalitions with high reputation and visibility. Networks and coalitions also served as avenues for learning from other successful organisations. The Executive Director of NNGDO 6 who is a member of ten different networks and coalitions mentioned that her engagement was on the basis that “in networks, we to do certain things together which helps us to learn from other NGOs” (NNGDO 6).

Respondents of big NNGDOs reported nurturing other small NNGDOs to improve their capacity. During interview, the Executive Director of an NNGDO disclosed that they had nurtured a number of NNGDOs on best practices because “they [small NNGDOs] always want to be like us”. This respondent further indicated that “we also want to be like other international NGOs so that we can all compete for the same level of funding” (NNGDO 3). At meetings, NNGDO respondents reported sharing experience in terms of their achievements and challenges when implementing specific projects. By doing so, they educated each other and complemented their efforts. This signified mutual dependence and drew on collective strengths. The sharing of procedural knowledge was common among the majority of NNGDOs because of duplication of efforts. For this reason, working through networks and coalitions according to donor representatives would create synergy in activities and help small NNGDOs to improve their governance systems on perceived best practices (Donor 3, 4).

However, although NNGDO respondents were concerned about duplication and potential loss of autonomy in networks, many felt that the need for survival was more important. Survival was linked to their ability to achieve impact especially for advocacy-based NNGDOs. Respondents emphasised that there were strength in numbers especially when embarking on campaigns and advocacy. Speaking about the connection between advocacy and networks, the respondent explained that in policy advocacy, having large numbers from the membership of coalitions was crucial in achieving results (NNGDO 8). Donors had bought into this assertion and were paying more attention to coalitions and networks in their funding disbursements. During interview, a senior member of a national NGO coalition disclosed that donors were focusing more on national level networks and coalitions:

They [donors] withdrew NGOs’ direct projects into more rights-based and advocacy programmes. So funding is now being channelled through the

networks and coalitions and they are beginning to gain prominence because of their strength in numbers and regional presence. So they [donors] tend to support those networks and coalitions so that they can make the impact (Key informant 5).

#### **7.2.4 Power in networks**

A particularly interesting observation was that although network secretariats were not supposed to become implementing bodies, the need for organisational survival caused largely by the non-payment of membership dues forced them to. Respondents explained that many secretariats had turned themselves into “quasi-NGOs” and directly implemented projects. This had created intense competition for resources between the secretariats and their members. For this reason, one regional executive of a network stated that:

They use our names to secure the grants and the moment the money comes, the secretariat becomes an NGO itself. They implement the big programmes and later come and give small projects to the members in order for them to get the reports to send to the donor on behalf of the members. That is what is happening (NNGDO 31).

Another respondent commented:

I see them more as another NGO competing with me and I don't expect them to run and implement projects just as we do. And they end up getting the attention from the donors. This usually crowds out emerging and small NGOs like us (NNGDO 1).

Network and coalition members felt that there was lack of openness and transparency about the implementing roles of secretariats. For example, respondents raised concerns about how the majority of funds ended up at the secretariats without trickling down to members. However, a senior coalition official maintained that they only implemented projects that were national in nature. This notwithstanding, members emphasised that secretariats should only play coordinating and supervisory roles rather than implementation. More importantly, the capturing or hijacking of projects by powerful individuals within networks to fulfil their own self-interests was a recurrent theme. The motive of many NNGDOs for joining networks centred on what they could get from the networks rather than their contributions. Respondents spoke candidly about how some coalition executives directed projects to their own organisations by stressing that:

The biggest challenge is that the coalitions use the membership to get funding. But when the funding comes, those at the secretariat direct it to their own NGOs. Our partnership is unequal, so people always want to take the lion share of the grants (NNGDO 19).

A senior member of a coalition attributed this problem to the lack of leadership. He explained that some coalition leaders handled their secretariats “the way they managed their small NGOs” and often considered it as their “bona fide property” (Key informant 5). There were no clear-cut policies on the responsibilities and funding mandates of network secretariats which greatly affected the flow of ideas and information. In their struggle for resources, twenty-five respondents openly spoke about competing with colleagues. Competition for funding and intended beneficiaries was regarded as a serious impediment to networking because it limited information sharing. When asked about why NNGDOs concealed information from others, one respondent replied:

We're competing for limited donors and possibly for beneficiaries. So people would want to grab everything. They will take the ideas you have

but will not share theirs with you. They think by sharing, they're giving away their secrets to funding (NNGDO 6).

While most respondents openly acknowledged competition among NNGDOs, five respondents downplayed it and stressed on the need for tapping into the benefits of collaboration rather than dwelling on the negatives. Some organisations unable to cope with the challenges associated with networks and coalitions fell out. There was lack of a cohesive platform that brought NNGDOs together to voice key issues of concern. Although GAPVOD was the largest umbrella body, respondents indicated that not all NNGDOs were members. The reason given was that there was no value addition in belonging to a national body while some respondents suggested that GAPVOD was defunct and could not represent the interests of the sector. This was considered a major concern by two key informants who argued that since many NNGDOs were interested in their own thematic networks and coalitions, government and donors found it difficult engaging with the sector as a whole because of their ideological differences and interests (Key Informant 1, 2). Network and coalition members were required to adhere to self-regulatory mechanisms like constitutions and governance policies. However, enforcement was described by respondents as weak because of the non-binding and voluntary nature of membership (Key Informant 5, 7). In the next section, I present the findings on cost recovery strategies employed by NNGDOs.

### **7.3 Cost recovery mechanisms**

Respondents identified three main cost recovery mechanisms: i) squeezing out to create organisational reserves; ii) cost recovery through building and moving of office space; and iii) reducing administrative expenses by downsizing staff and field operations.

#### **7.3.1 Operating organisational reserves**

Creation of reserves was a strategy used by twenty-three NNGDOs in cushioning themselves against financial uncertainty. These reserves were created based on savings from projects implemented. Respondents described how they put budget lines on overhead costs to prevent them from spending above a certain threshold. The rationale was to 'squeeze out' resources from administrative overheads during project implementation for use in period of financial leanness. For example, four NNGDOs reported that it was easy to make much savings from advocacy programmes given that they were mostly short-term but involved huge grants. A respondent who implemented an Agricultural Policy Support Programme in Northern Ghana stated: "...we want to always minimise costs and maximise our surplus. So we've done savings that can equally take us even up to the end of the year". Although the programme was implemented for three months, it involved about US\$20,000 and the respondent indicated being able to make some savings (NNGDO 31). Another respondent mentioned that he had created reserves which could help cater for overheads for only six months in the absence of donor projects (NNGDO 12).

Five respondents explained that their engagement in thematic diversification allowed them to create reserves from running different programmes concurrently. Respondents emphasised that donors required them to spend 85-95% of project funds on implementation: "they want to see the projects taking more money but not staff" (NNGDO 23). Project funds meant to support payment of staff salaries provided a perfect opportunity to squeeze out and create reserves. A respondent mentioned that a donor allocated GHC5,000 (US\$1,315.78) to cater for the monthly salary of the staff on their project but he ended up paying GHC3,000 (US\$789.47) and saved the rest as a reserve. This respondent and other Executive Directors further explained their approach to creating reserves by stating that:

When a donor gives me US\$10,000 to implement a project, you expect me to spend all the US\$10,000 and fold my arms? When another funding doesn't come, what will I do? So on paper, that is how donors expect us to do it but in practice, for sustainability reasons, I can't do it their way so that

I can still have something even when the donor support is not there. It's like robbing Peter to pay Paul (NNGDO 11).

A donor representative concurred by stating that:

Some NGOs may be smart enough to make savings from the projects. When we give our contribution, that does not mean that because we put GHC5,000 (US\$1,315.78) into administrative costs, you need to use all the money. In reality, the NGO may be paying something less, so even when the project ends, they can still operate because they have been able to make some margins to keep them until another project comes on board (Donor 7).

When respondents created reserves by squeezing out from projects, disclosures were not made to donors because of the tendency for them to request for unused project funds and resources. In addition, underspending project funds sent a wrong signal and influenced donors' future decisions because it was perceived as poor planning by management. The empirical findings suggest that NNGDOs were unwilling to report unspent funds because of pressure from donors to provide justifications as one respondent puts it: 'if it's more, they will say explain where you got the money from and if it is less too, explain the reason for the variance. So you also report to them, no less, no more' (NGDO 17). Respondents emphasised that donors were only interested in results and were less concerned about the mechanisms for achieving them as explained below:

In reporting on the results, I will do it as their template requires. So it is up to us to be efficient in the use of the resources. I cannot make the disclosure to the donor that I squeezed the funds to create some reserves. What is important for the donor is that I have achieved the results and that is what they are interested in (NNGDO 14).

However, donor representatives mentioned that they undertook expenditure verification to ensure that allocated funds had been used judiciously on projects. In explaining the phenomenon of non-disclosure of financial information, an INGDO representative shared his experience with implementing partners by stating that "smart and clever local NGOs" implementing their projects always made some savings. The mechanism through which such acts were detected was that some resorted to "massaging budget lines" where for every activity, "they will virtually put in costs elements like travel, snack, per diem, and it's done in such a way that the activity can generate enough funds for the organisation". When asked whether his organisation confronted such partners, he replied, "we will normally not begrudge them because they have all kinds of excuses to give for those details" (Donor 7). Two other donor representatives described such acts as informal mechanisms through which NGOs made their savings. It was common knowledge, but donor representatives never openly criticised NNGDOs for engaging in such acts (Donor 2, 6, 7). This practice had unintentionally become institutionalised, embedded and maintained as part of the structure and culture of donor-NNGDO relationships. NNGDOs' ability to practice squeezing out therefore depended largely on the availability of donor funds and projects. However, relying on donor projects to create reserves was considered a treacherous endeavour.

Another reserve creation strategy was the introduction of management fees on projects. This ranged between 2% and 9% of project cost. Six respondents pointed out that initially, senior managers like Executive Directors spent much time on projects by providing oversight responsibilities but were not paid because of the availability of core funding which catered for their salaries. However, given donors' unwillingness to provide core funding in recent years, management had to cost or value their time on

projects. For example, the Executive Director of an NNGDO in the education sector working with two INGDOs disclosed:

For the VSO project, they are asking me to charge for my time on the project. So when I combine my time spent on different projects from WVG, VSO and other donors, it adds up to some amount that I can use as savings. That is the kind of mathematics we do in most of the projects nowadays (NNGDO 1).

Another respondent added:

At first, we will just itemise all our projects and there was nothing called management fee. But now, we are looking at how we can get funding and save it. So in our proposals, we are putting a percentage of management fees. Some donors are buying the idea and others are not, so there is a lot of advocacy on our part (NNGDO 3).

Willingness to provide management fees depended on factors including the nature of NNGDO-donor relationships, perceived credibility and the level of negotiation undertaken. Leadership experience was a key determinant of NNGDOs' ability to create reserves. Nine NNGDO respondents mentioned that their decision to charge management fees was based on their leaders' ability to evaluate and forecast their financial situation and develop appropriate contingency measures. For instance, the Programmes Director of NNGDO 16 mentioned that her experience of going through difficult financial situations in the absence of projects has taught her to "make hay while the sun shines" (i.e. to create reserves when there is abundance of donor funds). Another eight respondents suggested drawing on their experience to manage difficult financial situations as one respondent described: "we have learnt our lessons and are putting so many strategies in place" (NNGDO 9). In the absence of donor funding, eleven respondents explained that they relied on their internally generated funds and donations as capital for investment because they were unrestricted. The Executive Director of NNGDO 10 pointed out he had invested profits from income-generating activities and donations at a bank which earned him an interest of GHC10,000 (US\$2,631.57) every three months. These investments served as an important resource that NNGDOs relied on in periods of fiscal leanness.

Although squeezing out was a useful strategy for creating reserves, it came with challenges such as inability to recruit qualified staff. Four respondents pointed out that by creating reserves, they sacrificed recruiting well-qualified staff because "too much squeezing" coupled with the absence of core funding made it impossible to pay enticing salaries (NNGDO 31). Fourteen NNGDOs did not create reserves although they had considered embarking on some savings but were unable to overcome the difficulty of the funding environment. A respondent therefore described his organisational survival as "it's kind of a hand-to-mouth thing and when you're within the hand-to-mouth kind of operation, how can you have enough to save or even invest?" (NNGDO 9). A key informant concurred with NNGDOs' hand-to-mouth existence by arguing that many were surviving because their existence was tied to project implementation which made them financially vulnerable. For this reason, he described the life cycle of NNGDOs as "they receive, they implement, they report and wait for another funding opportunity". This according to him accounted for their inability to create reserves. In addition, he suggested that many NNGDO leaders had not made conscious efforts in creating reserves or contingency plans to guard against fiscal shocks and attributed the collapse of many NNGDOs to this phenomenon (Key Informant 1).

### 7.3.2 Building and moving of office space

Fourteen respondents reported building their own office space (see for example, Figure 7.2). According to these respondents, owning an office space had become necessary given the high cost of property rental where prices were charged in foreign currencies especially the US\$ leading to a phenomena one respondent called “dollarisation of rent”. It was common for NNGDOs in Accra’s affluent neighbourhoods like Cantonments, Roman Ridge and East Legon to pay the GHC equivalent of dollar-rated rents. For example, the Executive Director of NNGDO 3 pointed out that, her office space was the most expensive component of her overhead cost. This respondent mentioned that she had to pay rent advance of at least two years and given that donors were unwilling to support overheads, it became a huge burden to their administrative expenses. For this reason, the organisation had invested in the building of its own office space.

Respondents pointed out that their engagement in real estate (i.e. building office space) was a mechanism for reducing overheads and promoting organisational sustainability. In addition, it helped in the creation of reserves which was used in expanding programmes to intended beneficiaries. A Programme Director of an NNGDO in Tamale that had recently built its own ultra-modern office space explained: “This is our own structure, so we don’t pay rent again and the money meant for rent will be used to expand other programmes” (NNGDO 16). Owning an office space was an avenue for generating income. For instance, NNGDO 3 and 12 mentioned that they had built multi-functional office space that included conference halls. These were hired to other organisations and donors when using their facilities for meetings and programmes. The Executive Director of NNGDO 12 in Tamale explained:

In pursuing our cost recovery initiatives, we have a big office complex. We have already given part of it to other organisations, and we are earning rents from it. There are resources like conference halls when we use them for donor projects, they are charged against the projects (NNGDO 12).

The Executive Director of NNGDO 31 reported building a warehouse for storing agricultural products like sheanuts and groundnuts produced by the organisation as part of their income generating activities. Aside from this, the building of office space was a strategy for demonstrating credibility, visibility and enhancing organisational brand to donors. Five respondents emphasised that donors were more interested in working with organisations that were already established (i.e. having permanent office building) and perceived as efficient and sustainable. In explaining why NNGDOs were increasingly acquiring fixed assets, a key informant suggested that: “...they want to see themselves working in the next ten years and if you want to be in existence, why would you want to remain in rental housing. Many NGOs are building just to help them save a lot of money meant for renting from their administrative expenses” (Key Informant 2).

Eight NNGDOs reported moving office space to reduce administrative overheads. The cost of operating a business especially in Accra was reported as very high. For example, a respondent mentioned paying US\$13,000.00 annually for an office space. Another respondent of a small NNGDO in Accra explained that his property owner had served him with an eviction notice because he was unable to pay his rent advance. He lamented: “the challenge is if another person brings money right now, he will give out the office space. I tried two donors and they said we can’t support you. Our funding is not for utilities” (NNGDO 9). Rental payment often had detrimental effects on organisations in terms of their visibility. The Executive Director of NNGDO 5 reported that due to his inability to pay a dollar-rated rent, he had considered moving office space to a cheaper neighbourhood as a cost recovery strategy. He pointed out that initially, it was a requirement to be within 1-2 km<sup>2</sup> radius of his main donor for easy access. This compelled him to rent an office complex closer to the donor in an affluent neighbourhood but was relocating which he anticipated might reduce his administrative expenses by about 30%.



**Figure 7.2** A newly built office space by an NNGDO in Accra.

**Source:** Author, May 2016.

Since many NNGDOs were project driven, the absence of projects threatened their very existence. In this regard, it was a deliberate management decision for organisations to relocate office space when there were no active projects. When a respondent was asked about the reasons for relocating, he replied, “why would we be living comfortably in an expensive office just for writing proposals and not implementing any project? It’s better to move to a cheaper location” (NNGDO 1). Eight NNGDOs also reported that they had acquired lands meant for building office space and other forms of investments like guesthouses. For example, NNGDO 31 had begun constructing a guesthouse that would be used for renting and hosting their partners during training workshops and meetings. Respondents indicated that the challenge was for them to raise the needed amount of money for these investments.

### **7.3.3 Reducing administrative expenses by downsizing**

With perceived decreasing funding, twenty-three NNGDO respondents reported that they had “tightened their belts” by adopting measures such as freezing salary increments and benefits, reducing number of paid staff and control in stationery and office supplies. In addition, three respondents reported giving training to staff to put up good behavioural attitudes to health, creating more flexible leave periods for staff with the aim of reducing the medical bills to be incurred by the organisation (NNGDO 4, 16, 28). Organisations safeguarded their survival by rapidly cutting down costs and avoided waste in their operations to promote administrative efficiencies. In terms of salary and demands for benefits, eight NNGDO respondents explained that salary increments had been on hold for the past two to three years. The decision was based on financial planning and forecasting that management undertook aimed at reducing administrative expenses. One Executive Director stated as follows:

I keep on stressing this to my staff that we shouldn’t expect increment in salary so that we will be able to reduce our operational costs. Otherwise, if we say we are having enough funding and therefore we need to pay ourselves so much, we will not be in existence for a long time (NNGDO 20).

Restriction of salary increments and staff benefits to some extent helped reduced costs, it also affected human resource development because respondents explained that staff would want better conditions of service. The inability of NNGDOs to meet such demands had detrimental effects on their ability to retain staff. Two NNGDOs reported experiencing a drastic reduction in the number of their paid staff from 18



to 4 and 10 to 3 within two years when they froze salary increments and staff benefits (NNGDO 2, 20). This was also linked to the absence of donor projects and core funding. As part of their strategic choice to cost recovery, five Executive Directors reported that some management members had fallen out of payroll. The rationale was to support their organisations in reducing overheads in order to expand their programmes to intended beneficiaries. One respondent explained that his engagement in NNGDOs' work was purely out of altruistic motives rather than an avenue for amassing wealth because he wanted to support his community members in need. However, some respondents emphasised that their engagement in NNGDO work tends to provide some personal privileges including social status and legitimacy that gives them access to powerful individuals like chiefs and opinion leaders at the community level. In explaining the fallout of management from payroll, he stressed that: "one critical coping strategy is that management members have fallen out of the payroll. We were four management members on payroll but now, it is left with only one. It's a bit difficult time for us" (NNGDO 30).

Aside from this, eighteen NNGDOs mentioned that they had resorted to contract-based hiring and performance-based payment for staff as pragmatic steps for reducing administrative expenses. All programmes and field staff were tied to specific projects. In this regard, in the absence of projects, nearly all staff were laid off with the exception of Executive Directors and Project Directors/Managers as a way of maintaining institutional memory. Respondents explained that having temporary paid staff was not a transformative strategy for building organisational capacity and learning. However, given the absence of projects, it was considered a pragmatic step because in having permanent employees, organisations had to pay social security contributions which became a financial hurdle. The Executive Director of NNGDO 3 shared her experience by stating that:

All my 85 staff are on projects, so when the project ends, you lay them off. When we give them an appointment letter, the appointment is based on project. If the project ends, you are also going and there is no guarantee. This is our coping strategy (NNGDO 3).

Another Executive Director iterated:

You hire field staff and contract them for the project period. They finish and they go away otherwise you can't keep them because you don't know when the next project is coming (NNGDO 27).

Contract-based appointments had also led to the introduction of performance-based payment for staff. In this regard, staff were given specific targets to achieve when implementing projects and failure to do so resulted in the "non-payment of salary" in some instances. Performance-based payment was aimed at ensuring the efficient use of scarce resources that would help avoid leakages and waste. According to the Executive Director of a large NNGDO, staff performance reviews and appraisals were instituted to demand results:

Now in this organisation, we pay people based on performance. So staff are given targets and based on those targets, whatever you achieve, we pay you according to that (NNGDO 6).

Another Executive Director added:

Currently, we are also looking at sustainability, so we employ contract staff under rigid and strict outcomes. They have output indicators which they should be able to work towards (NNGDO 30).

Although performance-based payment was aimed at ensuring efficiency, three project staff felt it was rather used as a punitive mechanism where they were penalised for their inability to achieve set targets. In addition, two respondents suggested that it did not give them the opportunity to learn because they were required to follow some set guidelines rather than promoting their innovativeness. These respondents consistently mentioned that sometimes they were unable to achieve “unrealistic targets” because of the complexities and unpredictability involved especially when dealing with intended beneficiaries (NNGDO 3, 17).

Performance-based payment was not limited to employees but also at the organisational level as part of donors’ changing funding patterns. Eight NNGDOs reported that result-based financing (RBF) was a common strategy used by donors where they were paid based on the amount of measurable results achieved. For NNGDOs engaged in RBF projects, pre-financing was a burden and also put a lot of work pressures on field officers which make them overwork in their attempt to achieve results. Usually a consultant recruited by the donor independently verified project outcomes or results. For this reason, respondents explained that they were under constant pressure to produce results before their rendered services were paid. The Executive Director of NNGDO 20 shared his experience when he implemented a WASH programme by stating that:

We did an RBF with SNV and we lost about 5% of our budget in one activity and 40% in another project. We did the programme in five communities and out of this, two didn’t achieve open-defecation free status. They said we have failed so they didn’t pay us. This is the kind of punishment they are given us (NNGDO 20).

Twelve respondents reported that their organisations restructured and merged departments in order to reduce the number of paid staff. By doing so, they sought to make efficient use of personnel where they practised cross-functional operations, with redefinition of job responsibilities to allow staff to undertake multiple tasks. There was a general perception that NNGDOs were increasingly turning towards the production of generalist rather than specialist staff. In addressing the issue of restructuring, two key informants emphasised that the operations of many small NNGDOs seemed unrealistic because “they just cut their coat too big. You can see a small NGO having about five departments, it doesn’t make sense” (Key Informant, 2, 4). For instance, NNGDO 32 had six departments but decided to merge three in order to make efficient use of the available limited resources. For NNGDO 2, restructuring involved total transitioning of organisational mission from human rights and advocacy to the promotion of Christian values. The ‘rebranding’ of the NNGDO was a deliberate management strategy to change its mandates and identity after the decline and withdrawal of several donors in human rights. However, restructuring came with limited financial opportunities as stated by the respondent: “now there are open calls but because most of the calls do not fall in line with what we are focusing on now, we don’t even apply” (NNGDO 2).

A majority of respondents explained that contract-based hiring and restructuring had resulted in high staff turnover. For example, between October 2015 and April 2016, NNGDO 17 downsized its employees from 51 to 33 employees because two projects ended concurrently creating uncertainty among employees. When asked about how this affected staff, a field officer replied:

There are uncertainties and individually we feel insecure because you can sleep, wake up and come to work and find out that there is a mail that you have to go home because there are no projects. We can be unemployed at any time so we think about it a lot (NNGDO 17).

To safeguard themselves against eventualities, respondents on projects reported taking up strategies such as diversifying their knowledge base by taking up professional courses. The Executive Director of NNGDO 22 explained that: “When the person is on contract, from the onset, he is not comfortable because he’s not able to tell when he would be laid off. So when opportunities come, the person leaves and you have to go through another recruitment process”. Respondents accused donors of ‘poaching’ their staff. This was a common challenge faced by small and medium-sized NNGDOs as illustrated by the following quotes: “NNGDO 6 has a lot of staff poached by our donors such as USAID, Marie Stopes, FHI360 and many others”. In addressing the capacity challenge of the poached organisations, respondents pointed out that they were advocating with donors that poached their staff to assist in building the capacity of their remaining staff as compensatory package because they had invested in them.

Programme reduction was also reported as a common cost recovery strategy. Twenty NNGDOs had reduced at least one programme or service initially provided. Out of this, thirteen suggested that cutting down on projects became necessary given that their own organisational survival was at stake. For example, the Executive Director of NNGDO 1 described how he cut out his programmes:

We are always cutting down. I have an excel sheet that I always look at and I mark where to cut all the time. This year, I have cut up to about US\$10,000 off my budget. All activities like organising workshops and programmes for teachers are currently on hold because we want to reduce costs (NNGDO 1).

Cutting down programmes involved deliberately reducing the number of intended beneficiaries targeted. According to the Executive Director of NNGDO 25, her organisation provided scholarships to girls in Senior High Schools in the North but with limited amount of funding, she was constantly “shifting things around” to be able to cut down on programmes and intended beneficiaries. She suggested that curtailing programmes meant “we don’t do it comfortably, we are always stressed because of its effects on the girls” (NNGDO 25). By respondents’ admission, cutting down on programmes affected their intended beneficiaries negatively because of the withdrawal of their services. For example, the Executive Director of NNGDO 1 explained that by cutting down on costs, he had to forgo monitoring visits for almost two years to some schools that had benefited from their interventions. He further explained that in the absence of funds, he would rather use the money meant for monitoring schools to pay salaries to sustain his organisation.

Contrarily, although seven NNGDOs had scaled down their programmes, respondents explained that they were always in touch with community leaders through informal visits as a way of maintaining their relationship. However, visits were done selectively to communities that were closer to reduce costs. Scaling down programmes like workshops and trainings came with reduction and in some instances cancellation of expenses meant for per diems, snacks and transport costs regarded as premiums for participation in NNGDOs activities but this was sometimes met with fierce resistance from intended beneficiaries. NNGDO respondents and key informants explained that in time past many intended beneficiaries had become accustomed to taking premiums. As part of cost-reduction strategies, community members were being educated to change their attitudes and perceptions about NNGDOs. To this end, thirteen respondents emphasised that it was essential that they had good community entry and created a sense of community ownership of their projects. Respondents often asserted that practising downward accountability to intended beneficiaries was a useful cost-sharing strategy where community members provided resources for project implementation. In what follows, I present the empirical findings on branding and visibility strategies.

#### **7.4. Brand and visibility enhancing strategies**

Branding and visibility enhancing strategies were used by twenty-two NNGDOs to manipulate the perception of stakeholders. In doing so, they had intensified efforts aimed at building organisational brands. Organisational visibility, speciality and public perception were considered as key determinants of NNGDOs' reputation. For this reason, the need for enhancing these dimensions was a recurrent theme. A critical issue raised by twelve respondents was their engagement in brand image and identity promotion. They described branding as a crucial ingredient for organisational survival given that positive image was associated with easy access to resources. The Programmes Manager of NNGDO 24 explained that its organisational brand was "the name" it had carved in the education sector. This he suggested, had made it possible for their work to be recognised internationally which had resulted in the continuous inflows of funds:

The image of NNGDO 24 in particular has actually helped us. We are easily recognised by many donors. The name we have built for ourselves is a sustainability strategy in itself because whoever wants to come to Ghana to talk about CBE, you will be directed to NNGDO 24 whether you like it or not. Our name is the main attractor of donors and it has gone far (NNGDO 24).

The cultivation of organisational reputation through branding was a strategy used by twelve NNGDOs in differentiating themselves from others in their external environment. The aim was to make them more resource deserving than their counterparts. For example, the respondent for NNGDO 8 explained that his organisation was "a brand in itself" and that "we've put a brand to our programmes and it's the brand that gives us the money". He further mentioned that the NNGDO had dwelt on its experience of implementing programmes in social services and advocacy for over three decades. This had made the organisation to assert its uniqueness in the eyes of stakeholders. During interviews, three donor representatives and two key informants emphasised the need for all NNGDOs to emulate NNGDO 8 because it was perceived as a model of success (Donor 2, 3, 8; Key Informant 2, 3).

Specific visibility enhancing tactics included the publication of success/impact stories and fact sheets, magazines, newsletters and flyers. These were meant to market NNGDOs' achievements to stakeholders. The Executive Director of NNGDO 3 explained that when engaging donors for funding, she resorted to success stories as an "evidence-based approach to grant seeking" (i.e. a situation where NNGDOs use their achievements as a way of convincing donors for support). Using success stories sent a credibility signal to donors that their funds would not be misappropriated. By doing so, they sought to promote their own self-accountability and transparency. Although the decision to fund an NNGDO using success stories rested with the donor, respondents explained that donors were willing to work with organisations perceived as trustworthy. While success stories could be regarded as a marketing strategy, respondents were quick to add that, the aim was not to use their intended beneficiaries as fund-raising tools.

Aside from success stories, thirteen respondents mentioned that they relied heavily on media coverage for public awareness of their programmes. Engagement with mainstream media was increasingly becoming an influential part of NNGDOs' management. Among the specific media approaches included having radio discussions about their programmes, holding of press conferences and issuing of press releases on national issues pertaining to their sector(s) of operation, serving as experts on television and radio discussions, profiled in national newspapers and making documentaries about their programmes. The rationale was to communicate ideas and information about their organisations and programmes. This approach was common among health and education focused NNGDOs. Clearly, respondents suggested that NNGDOs were becoming more media-savvy. For instance, the respondent for NNGDO 8 explained that his organisation made a televised documentary of an educational programme (i.e. CBE) on national

television as a way of demonstrating their achievement to their stakeholders. Their approach had been adopted as a national policy. Another respondent shared his experience of working with a media outlet by stating that, “we have explored partnership with TV3 [television station], so we do our development work and they showcase it” (NNGDO 5). According to respondents, NNGDO-related documentaries also served as a channel for advocacy and identity building. These documentaries were mostly posted on social networking platforms like YouTube, Facebook and organisational websites for wider dissemination.

Twenty-two NNGDOs described their increasing engagement with social networking platforms such as Facebook, Twitter, YouTube and weblogs. Facebook was the commonly used social media platform. For instance, the Executive Director of NNGDO 28 pointed out that his organisation was active on nine different social media platforms. Reasons for using social media were answers that, “we use social media to market our programmes and ourselves” (NNGDO 24); “this [social media] will help us to raise funding locally” (NNGDO 32); “this [social media] is making us to be seen by many people” (NNGDO 18); and “it gives us the numbers” (NNGDO 5). The use of social media platforms were mainly for marketing programmes and fundraising purposes, where dedicated personnel and departments managed these platforms. However, in organisations without such facilities, social media platforms were managed by Executive Directors who often played public relations roles.

Managing organisational information had resulted in the need for personnel with expertise in knowledge production and management. For instance, NNGDO 3 had recently employed a research officer who managed all organisational information. To this end, twenty-seven NNGDOs had functional organisational websites while the rest resorted to weblogs. One theme that cut across respondents was that, organisational websites served as important branding, identity, fundraising platform and mechanism for acknowledging donors and partners. Seven NNGDOs had redesigned their websites to make it more user-friendly by adding information about their programmes, donors and partners. In addition, donation buttons were included for fundraising purposes. Speaking about the relationship between organisational websites and visibility, the Programmes Manager of NNGDO 3 stated as follows:

For most of our funding, donors made the first point of call. For instance, DFID and UNFPA went to our website and contacted us. We had never done anything for them but based on previous programmes on our website, they contacted us directly. Our website is an evidence-based way of marketing and branding (NNGDO 3).

Despite the increasing use of internet-based platforms, respondent shared a consensus that many employees of small NNGDOs lacked the capacity for making use of information technology as tools for dialogue and information sharing. For example, a donor representative explained that for rural-based NNGDOs, because they lacked access to internet and basic computer skills, they preferred submitting hand-written funding applications rather than using online platforms like the Potential Applicant Data On-Line Registration (PADOR).

A more subtle visibility enhancing strategy was by organising events such as project opening and closure sessions where invitations were sent out to stakeholders. Such events provided an avenue for NNGDOs to advertise their organisational goals, mission and values. Other mechanisms included having billboards, organisational logos, designed office clothes, T-shirts and banners for projects implemented. When implementing donor-sponsored projects, specific guidelines were applied to the branding of T-shirts and banners as part of donors’ branding strategies for claiming credit for their support which helps in improving their own image. Four NNGDOs had also established partnerships with academic institutions as a way of promoting their visibility and programmes where they were invited to attend both national and international conferences to share their experiences on specific issues (NNGDO 1, 4, 9 19).

For instance, the Head of Research of NNGDO 4 described how academic institutions called her organisation to offer insights into NNGDOs' perspective on reproductive health issues during conferences. This according to her had increased the visibility of the organisation which had resulted in donors contacting them directly for partnerships. In addition, NNGDOs' collaboration with academic institutions was a useful legitimacy and capacity building strategy which helped in advancing their mission.

Although maintaining visibility at the donor level was important, it did not guarantee operational sustainability<sup>14</sup>. Three respondents emphasised that visibility at the donor level was temporary because they were subject to changing priorities. However, "visibility forever" as described by one respondent was only achieved at the community level based on development initiatives undertaken. In particular, the Executive Director of NNGDO 19 indicated that his organisation had visibility in intended beneficiaries' communities after ten years of implementing projects in supporting the aged and women accused of witchcraft in Northern Ghana. He suggested that the impact created by his organisation somewhat gave him visibility and credibility with community members. By doing so, the NNGDO sought to dwell on its moral legitimacy of helping to protect the interests of the aged and abused women.

Interestingly, nine NNGDOs drew on the reputation of their charismatic leaders. Respondents indicated that their founding leaders had strong local ties with beneficiary communities because they hailed from there. For this reason, they were mostly accepted and considered legitimate NNGDOs by local level structures such as chiefs and opinion leaders given that their leaders were perceived as trustworthy. This made it easier for building organisational legitimacy and collaboration with stakeholders. The Programme Manager of NNGDO 2 described her Executive Director as the "brand ambassador" because of her perceived expertise and earned reputation in women's rights issues. She became the brand personality and her perceived expertise positively influenced public perception about the NNGDO.

### **7.5 Conforming to institutional pressures**

In maintaining their legitimacy, NNGDOs instituted practices that helped them conform to institutional pressures and norms. The first tactic was trust building with stakeholders through accountable and transparent systems and having good track records in project implementation. According to twenty-five NNGDOs, this enhanced their reputation in the eyes of donors. Having good reputation provided opportunities for accessing grants. The Executive Director of NNGDO 20 described how his track records had made his organisation "a house name" with WaterAid-Ghana by stating that: "anytime a donor is coming to visit WaterAid, they choose our organisation. Now if they have any funding opportunity, they call us to come for it" suggesting that NNGDO 20 through its track records had created a perceptual representation in the minds of the leaders of WaterAid that it was reputable and trustworthy. In interview, a donor representative confirmed that all donors wanted NNGDOs with good track records (Donor 4).

In their quest for trustworthiness, respondents explained that they had embarked on accountable and transparent measures by strengthening their governance systems in fulfilment of donor requirements. Speaking about donors' insistence on transparent systems, the Country Director of an INGDO said, "we insist on specific reporting formats, following certain financial and procurement procedures.

---

<sup>14</sup> Operational sustainability is about NNGDOs' ability to sustain their programmes and projects at the community level in the absence of external donor support. It focuses on the impact of programmes, involvement and ownership of intended beneficiaries in project implementation. It is about NNGDOs' acceptance by intended beneficiaries in their operating environment.

All these things ensure that they operate by sound management principles which promote accountability and transparency” (Donor 7). In responding to such institutional pressures, eighteen NNGDOs emphasised that they had embarked on internal reforms such as following documentation guidelines (e.g. keeping receipts of all financial transactions) and submission of periodic narrative and project reports. The aim was to build their governance structures by becoming more accountable to donors. The assumption was that a linear relationship existed between accountability and conforming to donor guidelines. Donor representatives had created a perception among NNGDOs that unless they followed their guidelines, they remained illegitimate. Although these accountability measures were meant to support NNGDOs’ growth and development, it indirectly promoted upward accountability. For example, in many instances, respondents asserted that they were accountable to their donors. As one Executive Director said:

We try as much as possible to work very well and be accountable to them [donors] to the best of our ability. So if we are working with an organisation like IBIS, there shouldn’t be a situation where they will find something wrong with our system (NNGDO 22).

A related mechanism through which NNGDOs sought to meet donor requirements was through investments in internal structures in terms of human resource development. Nearly two-third of NNGDOs indicated adding value to their services by employing professional staff. One respondent stated, “it determined how you are viewed by donors”. Interestingly, thirty NNGDOs had at least one employee with a university degree and sought to improve their organisational capacity by employing individuals “who can also speak donor language” and have better understanding of the terrain as one respondent described (NNGDO 32). Two key informants explained that in the past, the NNGDO sector was “preparatory ground and a launch pad” for individuals with little or no practical experience. Many small NNGDOs therefore had poor structures where good management and accountability practices were mostly absent. This led to the mismanagement of donor funds (Key Informant 1, 4).

However, given the changing dynamics in NNGDOs’ funding landscape, donors were unwilling to support organisations with loose structures. The need for professionals had become a necessary strategy for meeting donor requirements. The Executive Director of NNGDO 27 described an instance where a donor asked him to advertise for the position of a Monitoring and Evaluation Officer on their project but the donor was unwilling to pay for the cost associated with it. Professionalisation was a means for gaining legitimacy from donors. For this reason, having professional staff had become an established norm among NNGDOs. The growing professionalisation reflected donors’ normative outlook of how an NNGDO should look like. From donors’ perspective, NNGDOs’ legitimacy was equated to their perceived level of professionalism. One Programme Director described how donors perceived her organisation by stating that: “donors look at the organisation in terms of its governance structures like staffing, policies and internal controls. So without these things, you will definitely not get funding” (NNGDO 16). The need for hiring professionals had led to an increased competition for the recruitment of individuals with specific expertise into the sector. For this reason, NNGDOs mostly relied on the services of development consultants to impress donors in what one respondent calls “consultancy craze” (NNGDO 3). These consultants were individuals in the NNGDO sector, academics and researchers with technical expertise on specific issues such as resource mobilisation.

The aim of NNGDOs’ conformance to donors’ institutional pressures of upward accountability as explicitly stated by one respondent was that “it will boost their confidence and they will continue to give us funding” (NNGDO 12). By conforming to set guidelines, NNGDOs sought to obtain ‘favour’ from donors. However, in interviews, eight respondents pointed out that their upward accountability to donors affected domestic resource mobilisation efforts.

Key informants suggested that many NNGDOs had over the years played on the ignorance of intended beneficiaries who were supposed to demand accountability. For example, in many NNGDOs' interventions, it was reported that intended beneficiaries were often not engaged and empowered to demand accountability. Even in communities where NNGDOs undertook governance and empowerment programmes, a key informant stated that accountability to intended beneficiaries was often "cosmetic in nature" and limited to the disclosure of information such as project reports (Key Informant 5). This was a common concern raised by two government officials who argued that NNGDOs needed to improve their downward accountability mechanisms (Key Informant 8, 10). The lack of NNGDOs' downward accountability was also blamed on the inability of the DSW to properly play its regulatory and supervisory roles.

## **7.6 Strategic planning**

Respondents reported that they had put in place measures aimed at improving their professional competence and the long-term future of their organisations. The rationale for the adoption of strategic planning was to position NNGDOs to achieve their mission. Strategic planning involved the following. First, twenty-five respondents reported that they had developed strategic plans and policies which served as the "game plan" that guided their operations. When asked about how management planned to ensure their long-term sustainability, the Programmes Manager of NNGDO 24 for example, disclosed, "we have come up with a five-year strategic plan". That is one aspect we have developed recently to sustain our organisation" (NNGDO 24). In ensuring the effective implementation of a strategic plan, the role of management and staff in terms of coordination was crucial. This involved the delegation of responsibility and authority to employees. Five Executive Directors explained that they were seeking to empower and create a sense of ownership for employees. Involving and consulting employees in decision-making was a recurrent theme as described by a co-founder who doubled as the Programmes Director of NNGDO 16. She stated as follows:

I don't show myself that I am the boss. We call ourselves a learning organisation so everyone learns even if you're the boss. For instance, the Executive Director's decision is not ultimate likewise that of the Programmes Director. We have to sit down and discuss and we take the final decision based on what the whole house says (NNGDO 16).

The delegation of authority and power according to respondents promoted learning and innovation among employees. Giving them the opportunity to express their views in decision-making was vital for the development of NNGDOs' sustainability plans as described by one respondent: "our current strategic plan came about after management solicited views of staff and also encouraged us to support issues about organisational sustainability" (NNGDO 6). According to this respondent, the opening up to diverse perspectives resulted in innovation and creativity in the development of the sustainability plan which initially was absent.

Second, nine NNGDOs had embarked on implementing an organisational leadership plan. The need for leadership succession had become necessary given that over the years, the operations of many NNGDOs had centred on "one charismatic founding leader" who served as the face of the organisation. In interviews, respondents explained that in the past, no systematic plans were made for succession. However, given the changing dynamics in their operating environment and the need for sustainability, this was considered as key. A donor representative described the recent engagement of NNGDOs with succession plan as follows: "now, most NGO leaders are stepping back to allow new group of leaders to take issues on and it's part of the sustainability measures" (Donor 2). A key informant shared this sentiment by arguing that NNGDOs were developing succession plans because they had built their



organisations around their Executive Directors and therefore in their absence, there was high tendency for them to collapse (Key Informant 4). Although three NNGDOs claimed they had leadership succession plans, these were not documented. The decision to select a replacement was the responsibility of the Executive Director in consultation with board members.

Interviews suggest that in the absence of the Executive Director or founding leader, a family member (i.e. progeny) was likely to become a successor, making leadership succession to be restricted to family members. This was because many NNGDOs were established by individuals and were considered as “family property” (Key Informant 1). For example, during data collection, I encountered a situation where an NNGDO had become defunct mainly because the founder was too old to manage her organisation. In an interview, she revealed that she handed over the organisation to her daughter but was facing some management challenges. Although NNGDOs had measures to develop succession plans, they were in their early stages. More importantly, the empirical evidence suggests that most Executive Directors were reluctant to discuss matters relating to their succession because it was a “sensitive organisational issue” as one respondent puts it (NNGDO 31).

### **7.7 Avoidance strategies**

Respondents indicated that their organisational mission and values served as the foundational blocks. In their attempt to safeguard against institutional demands and pressures, eight NNGDOs deliberately avoided funding from specific donors whose goals and values were inconsistent with theirs. For such organisations, it was reported that they had mission-centred organisational culture and leadership that drove their operations and engagements with stakeholders. The following quotation indicates the use of avoidance strategy by mission-centred organisations:

In selecting our donors, what is key is that their values should be in line with ours. If there are conflicting values, then we advise ourselves.... We don't allow donors to dictate to us. It's all about impact, integrity and not the money. For instance, these days, many donors are supporting men who sleep with men. When they approach us, we clearly tell them that no because it is out of our organisational values. Sometimes, we become aggressive in that regard. We've done that to a number of donors. For such donors, we don't even accept their funding in the first place (NNGDO 15).

The rationale was to mitigate the effects of goal displacement and donor-driven initiatives. In doing so, respondents sought to maintain their mission-centred organisational culture rather than “following the money”. Respondents reported that donors did not impose programmes on NNGDOs. The decision to become donor-driven was based on the discretion of organisational leaders who evaluated the pros and cons of their potential engagement with donors. If developing such relationships was perceived as beneficial and aligned with the interests and values of NNGDOs, then mutual agreements were signed and vice versa. The aim of avoidance was to maintain organisational credibility and integrity with intended beneficiaries rather than donors because donor funding was not perpetual. Quite instructively, NNGDOs strove to enhance their legitimacy at the community level with the aim of changing public perception that NNGDOs were the creation of donors. A Programmes Director of a small NNGDO in the North spoke about how he had been particularly persuaded by the need for maintaining organisational integrity by saying: “If you have integrity with community members, you have everything and that is why I say that you can take everything from a man but never take his integrity” (NNGDO 29).

Avoidance strategy was common among well-established NNGDOs that had built a good amount of reputation in the eyes of donors although there were some small NNGDOs that adhered to their organisational values. It is worth noting that avoidance occurred at two levels. First, outright donor rejection occurred prior to establishing a relationship. Second, suspending a relationship occurred when NNGDOs became dissatisfied especially when they perceived that they had been treated unfairly, harshly or could not cope with donor requirements. Suspension was aimed at preventing future occurrence of a dissatisfied relationship. One respondent whose organisation had challenges in implementing an RBF programme stated: “The donor was too harsh so we have decided that we will never apply for funding from them because of the way they treated us in the RBF project” (NNGDO 20). This suggests that the respondent had consciously decided to suspend his relationship and had no plans of applying for funding from the same donor no matter the cost. It also indicates that suspension of relationship was a deliberate NNGDO decision not based on economic interests but rather donors’ actions and how they treated NNGDOs. This made avoidance strategy the co-creation of NNGDOs’ conscious decision and donors’ unconscious actions.

Three respondents indicated that although they severed their relationships with donors, this occurred after project completion which gave them an opportunity to seek alternative funding perceived as more favourable. The use of avoidance strategy came with uncertainty. A small NNGDO had consciously rejected funding from its main donor because funding conditionality limited organisational autonomy. The effect as the Executive Director explained was that “for the last one and half years, we have not received funding from any organisation”. The inability to get funding from an external donor affected his ability to secure alternative funding. The respondent explicitly stated, “we had a proposal we sent to the African Initiative but their problem was that if you’re unable to get funding for the last two years from an external donor, you don’t qualify” (NNGDO 19).

Another reason that accounted for avoidance strategy relates to past experience and perception of a donor. Based on past experience, blacklisted NNGDOs automatically suspended any relationship they had. For instance, one respondent whose NNGDO was blacklisted was asked whether he had applied for funding from the same donor in recent years. The respondent puts it plainly by stating that: “I have not really applied for funding from them because we are a bit cautious” suggesting that the use of avoidance strategy by NNGDOs was initiated by the donor. In addition, NNGDOs’ perception about donors served as an incentive for avoidance. Twelve respondents had decided not to apply for government and corporate funding because they perceived that submitted proposals were judged not on merit but rather favouritism. For this reason, spending time to complete proposals was regarded as “a complete waste of resources”. The Programmes Manager of NNGDO 28 explained how his past experience and perception about a specific donor had made him to use avoidance strategy:

I have submitted proposals to them in the past but we have taken a decision not to do it again. We will not waste our time because they haven’t proven that when they put out a call, the process they are using is transparent (NNGDO 28).

## **7.8 Influencing strategies**

In complying with institutional pressures, fourteen respondents explained that they were able to strike a balance by negotiating unfavourable funding conditions. Since donors relied on NNGDOs’ perceived expertise to reach their intended beneficiaries in achieving the needed results, NNGDOs used their unique position like local knowledge and embeddedness to influence donor conditionality. The Executive Director of NNGDO 32 explained how he used “head-to-head discussion” with donor representatives when they set unachievable targets:

Donors set big targets for NGOs and meanwhile they don't even know the conditions that local NGOs are working in. If such targets come, we tell them that we cannot meet these targets. If the donor also thinks aloud, then they negotiate with us to work around targets that can be achieved (NNGDO 32)

The use of influencing was more common especially among established NNGDOs irrespective of the sector(s) of operation. Given that these organisations had gained reputation, trustworthiness and credibility in the eyes of donors, negotiating donor conditionality was “easy and simple”. The Programmes Director of NNGDO 16 shared her experience of negotiating with donors on project indicators and outcomes by saying that: “I think we are able to negotiate with donors because of our credibility and the brand we have carved for ourselves. I can say our credibility attract donors to come to us when even when we don't call them”.

Moreover, interpersonal relations between NNGDOs and donor representatives also played a crucial role in that regard where complaints about strict donor requirements were informally reported for adjustments to be made. This was largely through face-to-face interactions during project meetings and field visits where NNGDOs explained ground-level realities to donor representatives. Having face-to-face interaction was perceived as faster and better than formal reporting. A donor representative indicated that they provided omnibus feedback to organisations (Donor 4). Interestingly, eight respondents reported that since donor representatives often visited them during project implementation, it creates opportunities for informal engagements that helped in influencing their agenda:

The last meeting we attended in Accra, they said they would visit us as part of their monitoring and due diligence processes. So they come and do field and office evaluation. They sometimes spend over a week here talking to community level structures and the beneficiaries. When they are here, we get the opportunity to interact with them and explain things better (NNGDO 19).

Although informal reporting did not change the status quo significantly, respondents pointed out that sometimes donor representatives “brushed over” by becoming more lenient in how they dealt with NNGDOs not meeting standard procedures. For this reason, thirteen respondents indicated that their relationship with donors was not master-recipient but mutual where they worked together in decision-making. In this regard, whenever donors set unachievable targets and conditions, they negotiated. This was possible because NNGDOs had alternative sources of funding and provided counterpart funding. Three donor representatives concurred to this assertion and argued that they sometimes had to negotiate project indicators with NNGDOs, but it was always a challenge especially when they gave NNGDOs leeway. A donor representative explained that in most instances, NNGDOs would want to do things their way which often resulted in the production of different measurable indicators and targets. In order to achieve balance of interests, they had to negotiate (Donor 7).

Similarly, two representatives from Donor 2 explained that by virtue of their Ghanaian identity, they understood ground-level realities and therefore adjusted unachievable targets. However, one respondent indicated that “under programme X, we had four different donors and in addition to the audits. You are here today, then Donor X has sent people to come and do their checks. So we are also under a lot of pressure from the donors”. According to him, this had made adjustments increasingly difficult mainly because their funders were interested in the calculability of results. The above statement suggests that both donors and NNGDOs made conscious decisions to adjust indicators and targets in order to maintain their relationship, albeit with potential trade-offs in what one respondent described as “swallowing our

pride’’ (NNGDO 1). NNGDOs’ expertise and the number of years it had operated were key determinants of how likely donors could control them during negotiation. During interviews, respondents of three NNGDOs asserted their authority by referring to more powerful donors who they believed could not control them mainly because of their experience and knowledge of the donor landscape. One respondent asserted:

Because you’re giving us funds doesn’t mean you can control us. We’ve been working with perhaps more powerful institutions like USAID. But there is no way USAID can control us. I think we’ve grown over that because we have been in existence for almost two decades and they know us (NNGDO 8).

An important aspect of NNGDOs’ influencing strategies relates to the development of informal relationships. Respondents harnessed their social capital when they attended professional events like workshops and conferences. Others also dwelt on relationships developed through former schools, religious meetings, professional backgrounds and ethnic/tribal affiliations. For instance, the Executive Director of NNGDO 23 explained that ‘‘I worked with CRS, a consultancy firm and a district assembly. So I still have colleagues who are in big-big places but I wouldn’t like to mention names’’. NNGDO leaders sought to use their personal connections in deepening relations and also lobby government and donor representatives. These informal relationships served as an ‘‘invisible strategy’’ for advancing their interests.

Although the relationship between NNGDOs, donors and government officials was largely formal, eleven respondents explained that over time, it developed into informality. More importantly, formal relations evolved out of informal conversations. Thus, formal and informal relationships interlocked and served as an important avenue for information and resource exchange. Respondents explained that the NNGDO sector survived on a mixture of formal and informal relationships. In initiating informal relationships, individual charismatic NNGDO leaders and their board members played a crucial role. To this end, ‘‘who you know’’ was a recurrent theme in funding applications. For instance, the Executive Director of NNGDO 28 described the role of personal connections in influencing funding decisions by stating that:

Who you know matters so much. If you don’t have strong connections, it’s difficult getting funding. When funding adverts come out, they already know which NGOs to give to, they are just deceiving the public because they just want a formality (NNGDO 28).

Informal relationships also served as an important avenue for building and sustaining trust in addition to getting information on upcoming funding opportunities. One Programmes Director for example, shared his experience when I asked him: ‘‘where are you coming from?’’ by replying:

I went for an informal meeting this morning at FAO. Some projects are on the horizon, so I went to position myself well. My responsibility goes beyond programmes administration to include building informal relationships with donors (NNGDO 11).

In deepening relationships with government and donor officials, respondents resorted to tactics such as invitation to lunch breaks, dinner programmes, investing resources (e.g. time) to visit them in their offices, sending souvenirs and Christmas or birthday cards. One important mechanism for strengthening informal relations was showing solidarity through social programmes (e.g. marriage, naming ceremonies and funerals). For instance, during data collection, I accompanied one Executive Director to attend the funeral of a brother of an INGDO representative. Respondents also indicated that they had changed their approach

to funding by not only relying on their proposals but also engaged donors directly through word-of-mouth to have discussion with them about their programmes.

Our approach to funders has changed significantly. This time, we engage donors face-to-face to discuss about our organisation. When you do that and you put in the proposals, sometimes, it helps a lot. By doing that we're seeing some results (NNGDO 23).

Informality had become an established norm when dealing with donor and government officials. The rationale was to strengthen and sustain their relationships beyond the formal realm which helped them in influencing stakeholders. Respondents further suggested that informal relations with donor representatives did not guarantee automatic funding opportunities due to potential conflict of interest concerns. However, having an insider acted as a catalyst to push their applications and agenda through: “you really need to have some contacts internally to be able to push your proposals for you” (NNGDO 17).

## **7.9 Conclusion**

This chapter has explored other strategies aside from resource diversification employed by NNGDOs. It highlights that NNGDOs engaged in networks and partnerships which took the form of consortia and project implementation. It has shown that this turn to consortia was in direct response to donor funding requirements. The chapter also highlights how the need for organisational survival has resulted in competition between network secretariats and their members, with secretariats having turned themselves into quasi-NNGDOs. This chapter has also shown that NNGDOs employed cost-recovery mechanisms such as operating reserves, investment in fixed assets and downsizing. It further highlights that NNGDOs used branding and visibility as legitimisation and differentiation strategies.

To protect their credibility, NNGDOs also sought to strengthen their governance structures through the institutionalisation of accountable and transparent systems, hiring of professionals and compliance with formal reporting guidelines. NNGDOs' engagement in strategic thinking and planning, in delegation of authority and the implementation of succession planning also contribute to survival strategies. However, the emphasis on funding had led to some neglect of critical leadership issues. Although NNGDOs conformed to institutional pressures, the use of avoidance and influencing strategies demonstrated that they exercised a degree of agency in managing their resource dependence. In the next chapter, I analyse and discuss the empirical findings through the lens of the theoretical frameworks developed in chapter three.

## **Chapter Eight: NNGDOs' strategic responses: Analysis and Discussion**

### **8.0 Introduction**

The three previous chapters presented the empirical findings of this research. In doing so, in chapter five, I described the context in which NNGDOs operated and provided a general background of case study organisations. This was followed by a review of the eight strategies employed by NNGDOs in ensuring their short-term survival and long-term sustainability. This chapter analyses the empirical findings in relation to the three theoretical frameworks presented in chapter three. The aim is to examine how far the empirical findings are consistent with, can be attributed to and explained by RDT, NIT and Oliver's typology of strategic responses. My aim in doing so is to address the second research question. The chapter is structured into nine sections, one for each of the eight strategies identified plus a conclusion.

### **8.1 Theoretical explanations for resource diversification**

#### **8.1.1 Self-financing**

In safeguarding financial autonomy, this study observes that NNGDOs generate income through self-financing activities as part of their diversification strategies. From a resource dependency perspective, diversification is an organisational strategy for overcoming problems of resource concentration and loss of autonomy in decision-making processes associated with dependence on a sole supplier of critical resources. The aim of diversification is avoidance of control associated with dependence (Pfeffer and Salancik, 2003). However, the empirical evidence suggests that although NNGDOs have diversified their funding through self-financing, it somewhat gives them relatively little financial autonomy. While a few NNGDOs demonstrate some degree of autonomy and independence, the majority have not weaned themselves off donor funding because it constitutes between 80% and 90% of their annual budget. Donors' influence and control is prevalent because self-financing revenues remain unpredictable and contribute minimally to annual budget. To this end, although NNGDOs are exploring alternative revenue streams, their potential for autonomy and independence from donor dependency and influence remains limited.

The empirical findings contradict resource dependency arguments that diversification in self-financing activities helps in managing resource concentration problems because it enhances NNGDOs' financial autonomy and independence from donor influence (Khieng and Dahles, 2015; Hailey and Salway, 2016). Self-financing activities among NNGDOs is a recent phenomenon where many are in early stages of their development and have not reached medium-sized enterprises for their presence to be felt within their localities or even nationally. For this reason, it is difficult to generate the needed revenue that will propel organisational autonomy and independence. Financial and organisational autonomy from self-financing depends on the extent of their development and contributions to annual budget. As the empirical findings demonstrate, self-financing provides NNGDOs some degree of resource criticality to be able to perform their activities by covering overheads and project costs in the absence of donor funding (Pfeffer and Salancik, 2003). Nonetheless, their inability to generate enough revenue makes them highly dependent on donor resources.

More importantly, the precarious financial situation of many NNGDOs is an indication of their short-term financial capacity (Section 5.7.1). This makes them highly vulnerable to external influences. The empirical findings raise important debates about the relationship between NNGDOs' financial autonomy and self-financing initiatives. In the mainstream NGDO literature, it is suggested that self-financing guarantees automatic independence and minimises threats to donor control. However, as the empirical findings suggest, this assumption is problematic especially in contexts like Ghana where most NNGDOs' self-financing initiatives are in their early stages.

Self-financing is a deliberate management attempt to avoid the effects of revenue volatility associated with donor dependence. Given the volatility of donor funding, maintaining a diversified funding base is useful for promoting revenue stability (Pfeffer and Salancik, 2003; Carroll and Stater, 2009). For this reason, self-financing has become a major preoccupation of NNGDOs where many seem to be imitating the practices of others in generating internal funds. This is akin to mimetic isomorphism where in periods of uncertainty, organisations model themselves around perceived successful organisations (DiMaggio and Powell, 1983). The implication is the homogenisation of NNGDOs' self-financing activities where similar income generating models are implemented. Homogenisation of self-financing activities has made social enterprise a trendy terminology among NNGDOs.

Revenue volatility from self-financing activities remains high and results from organisation specific (e.g. lack of financial and managerial capacity) and systematic sources (e.g. unfavourable business environment and public perception about self-financing activities). Given that NNGDOs rely on savings from projectised donor grants as start-up capital for self-financing initiatives, volatility in donor funding has direct effects on NNGDOs. This affects planning process and increases insolvency risk. The empirical findings are consistent with Bielefeld's (1992) observation that small non-profit organisations dependent on internally generated funds are subject to uncertainty. However, it contradicts Froelich (1999) and Khieng and Dahles' (2015) argument that self-financing activities by non-profit organisations and NNGDOs are associated with moderate and low volatility respectively. In fact, as the empirical findings demonstrate, revenues generated from social enterprise are highly volatile. In this regard, it questions the assumption that self-financing activities act as an insurance mechanism against NNGDOs' revenue volatility. It highlights the context and time-specific nature of self-financing activities because they are in their early stages of development.

#### **8.1.1.1 Self-financing and sustainability rhetoric**

Given that self-financing is fuelled by the sustainability discourse spearheaded by donors, NNGDOs are under constant coercive pressures from donors to ensure their own sustainability. For this reason, demonstrating elements of sustainability through the provision of counterpart funding has become a prerequisite for donor funding requirements (Section 6.1.5). Informed by the need for securing resources, NNGDOs acquiesce by complying with and habiting to donor pressures to raise the required counterpart funding (Oliver, 1991). While Oliver considers acquiescence as a passive strategy, the empirical finding suggests that it is rather an active strategy especially when compliance with institutional demands gives NNGDOs access to donor resources. Acquiescence is therefore a strategic tactic informed largely by self-serving interests. For instance, raising the required counterpart funding confers legitimacy on NNGDOs in the eyes of donors.

Pfeffer and Salancik (2003:44) argue that compliance with institutional demands occurs when the focal organisation depends on the social actor for critical resources, the social actor controls resources and the desire of the focal organisation is survival (Section 3.1). NNGDOs comply with counterpart funding requirements because donors control the needed financial resources. In addition, the degree of dependence on donors is determined by resource importance, actor's discretion over resource allocation and use in addition to concentration of resource control. While NNGDOs consider self-financing as an avoidance strategy for escaping donor influences, it involves elements of acquiescence. For this reason, self-financing is both an acquiescence and avoidance strategy. Escape represents an active strategy because it involves NNGDOs remodelling their goals and programmes to prevent conformance to donor influences. The aim here is to avoid restrictions associated with dependence on donor resources (Oliver, 1991). The provision of counterpart funding is an indication that NNGDOs are committed to ensuring their own sustainability.

A defining characteristic of social enterprise is the pursuit of financial sustainability and social purposes. Nonetheless, the empirical findings suggest that NNGDOs' engagement in social enterprise is motivated largely by their own organisational and financial sustainability rather than the creation of social benefits and values to intended beneficiaries. Although some NNGDOs claim to prioritise the needs of intended beneficiaries, it is a façade for building on their comparative advantage of being closer to intended beneficiaries to further their own financial sustainability motives. To this end, self-financing meant being more market driven and self-sufficient but not beneficiary driven. This study finds no evidence to suggest that self-financing helps NNGDOs to achieve financial sustainability in the short-term. In addition, self-financing activities involve trade-offs where the burden of sustainability especially in the case of integrated hybrid is pushed to intended beneficiaries. The discussion thus far indicates that the outcome of self-financing has been organisational financial sustainability rather than 'beneficiary sustainability'. Similar observations have been made by Devine (2003) who observed among NGDOs in Bangladesh that in their pursuit of sustainability, their members became benefactors rather than beneficiaries of microcredit schemes. He maintains that while sustainability interventions helped NGDOs to reduce dependence on donor resources, it undermined their relationship with intended beneficiaries. Moreover, organisational survival was prioritised over the needs of intended beneficiaries thereby creating a sustainability paradox.

A plausible explanation is the lack of financial, human and technical support for NNGDOs' sustainability programmes. Although NNGDOs' sustainability is a co-responsibility of stakeholders (donors, government, NNGDO leaders and intended beneficiaries), the data collected demonstrates that NNGDOs have been left alone to carry their 'sustainability burden'. Although in theory, donors seem to be spearheading NNGDOs' sustainability discourse, in reality, it remains a myth. Their commitment to sustainability does not extend beyond the rhetoric of capacity building in proposal writing and offering letters of recommendation rather than long-term investment in organisational structures. Donors only pay lip service to NNGDOs' sustainability without making substantial investments into sustainability mechanisms. An unintended consequence is the reinforcement of NNGDOs' dependency on their resources. Indeed, it can be argued that the assumption that partnership between donors especially INGDOs and NNGDOs would ensure the long-term viability of the latter is difficult to achieve. This is because the sustainability of INGDOs is not guaranteed let alone supporting NNGDOs. As discussed in Section 7.2.2, some INGDOs are struggling financially to survive, therefore their commitment towards the sustainability of NNGDOs' is doubtful. Donor funding modalities and patterns also do not allow for investments in sustainability initiatives because of their emphasis on delivering results in the short-term rather than long-term. This creates challenges for NNGDOs in their attempt to ensure their sustainability. In what follows, I discuss the effects of self-financing on NNGDOs' organisational mission change.

#### **8.1.1.2 Self-financing and NNGDOs' mission change**

Mission-driven NNGDOs align their commercial initiatives towards social goals by balancing demands for organisational sustainability and beneficiary needs through the strategy of integration where separated hybrid social enterprises combine their commercial and social or developmental goals. This is directly influenced by organisational culture which helps in reducing tension associated with the pursuit of commercial needs for survival. The strategy of integration is contrary to Oliver's (1991) avoidance tactic of buffering/decoupling where organisations detach their technical activities from main operations. In addition, it differs from Pache and Santos' (2013) strategy of selective coupling where organisations faced with competing logics selectively chose elements from each logic. Integration of social and commercial goals results in the creation of multiple and conflicting logics such as dual mission and change in organisational identity.



In light of this, when NNGDOs are faced with conflicting demands because of high multiplicity of actors, they employ strategies including compromise. The aim is to meet the expectation of different stakeholders. Compromise tactic of balancing helps NNGDOs to address the problem of mission change and goal displacement associated with self-financing initiatives. However, as discussed in the preceding section, although NNGDOs balanced their survival and beneficiary needs, their survival was a priority. The empirical findings partly align with Oliver's (1991) hypothesised antecedent about the use of one or more compromise tactics of balancing, pacifying and bargaining (Table 3.2). However, the study finds no evidence regarding the use of avoidance and defiance strategies when confronted with multiple conflicting demands as predicted by Oliver.

What might account for the limited evidence of mission change is NNGDOs' engagement in peripheral self-financing activities. To this end, the extent of mission change depends on the nature of self-financing activities undertaken and the role played by organisational governing boards. Board of directors and trustees play a crucial role in determining NNGDOs' self-financing activities through active deliberations on their feasibility. They also serve as custodians of NNGDOs' mission and values and also help identify, interpret and formulate organisational strategies (Pfeffer and Salancik, 2003). The empirical evidence further suggests that in some instances, because board members supported in raising start-up capital, they are able to properly ensure that NNGDOs adhere to organisational mission and values. By doing so, they shape organisational culture through internal governance and control. This demonstrates the importance of organisational governance in striking a balance between social and commercial missions. In fact, NNGDOs' leadership ability to balance conflicting demands from their institutional and resource environment is a critical determinant of their quality. The finding therefore lends support to resource dependency arguments about the role of organisational leadership in addressing uncertainty (Pfeffer and Salancik, 2003).

In sum, the effects of NNGDOs' self-financing mechanisms on mission change remains inconclusive. However, what is clearly event is that self-financing is not a panacea to NNGDOs' sustainability predicaments because the needed institutional and organisational mechanisms that would ensure the operation of viable self-financing entities to generate the needed resources is lacking. In the next section, I focus on relating the findings on domestic resource mobilisation in terms of volunteer support, corporate philanthropy and government funding to the theoretical frameworks.

### **8.1.2 Domestic resource mobilisation**

#### **8.1.2.1 Volunteer support**

In overcoming challenges associated with dependence on a single funding source, NNGDOs have diversified their funding base into restricted and unrestricted funds. The rationale is to "preclude the necessity of conformity" to institutional pressures from donors (Oliver, 1991:154). Volunteer support serves as a buffer against eventualities in external donor funding. Buffering is used by NNGDOs in insulating themselves against negative impact and unavoidable consequence of resource dependence. For example, using volunteer labour is a buffering tactic given the projectisation of donor support and the absence of core funding which results in high staff turnover. Reliance on volunteer labour therefore compensates for the shortfalls in paid staff. The understanding of buffering as used in this thesis is different from Oliver who maintains that buffering is used as a mechanism for preventing the activities and actions of organisations from being scrutinised.

This study finds no evidence of the interchangeability of paid staff with volunteers due partly to the increased institutional pressures from donors for NNGDOs' professionalisation (Townsend et al., 2004; Kamstra and Schulpen, 2015). Professionalisation helps NNGDOs to properly communicate with donors where staff are able to write, speak and understand donor jargon. This enhances their chances of securing

resources because it increases donors' confidence and trust. Moreover, reliance on volunteers helps in the creation of organisational reserves as they are only given allowances and non-monetary incentives (e.g. soaps and food items for community volunteers). This notwithstanding, an interdependent relationship exists between NNGDOs and volunteers. This relationship is sustained by resource exchange which creates a sense of mutual dependence (Pfeffer and Salancik, 2003).

While NNGDOs depend on volunteers to undertake their programmes, some volunteers get material incentives. For example, for most local volunteers, their engagement with NNGDOs becomes a survivalist strategy as it serves as an avenue for getting into the NNGDO job market or a means for securing temporal employment. This finding collaborates previous research outcomes on volunteering in other African countries (Butcher and Einolf, 2017). Although reliance on volunteer labour signifies an 'emerging trend' in domestic resource mobilisation, it raises questions about the sustainability of such initiatives given the lack of a progressive philanthropic culture and commitment by volunteers. Moreover, it might affect organisational performance because volunteers might not have the requisite skills, training and commitment compared to paid staff. High turnover associated with volunteers makes strategic organisational planning a difficult task for management. Although uncertainty in donor funding is forcing NNGDOs to rely on volunteer labour, it remains an unpredictable and ad hoc source of support that cannot guarantee their long-term organisational sustainability.

This notwithstanding, volunteer engagement is a useful strategy for gaining organisational legitimacy and credibility demonstrated in its ability to create downward accountability to intended beneficiaries. Given that NNGDOs in Ghana are perceived as the creation of donors due to their resource dependence, the mobilisation of volunteer support is a strategy for balancing the expectation of community members through involvement in NNGDOs' programmes at the community level. This helps in fending off criticisms by pacifying community members (Oliver, 1991). This finding is consistent with Awuah-Werekoh (2015) who found that an NNGDO (i.e. KKP) in Ghana was able to appease aggrieved community members by their involvement in the selection of volunteers. However, reliance on volunteers also involves NNGDOs manipulating their operating environment by shaping values aimed at influencing public perception (Oliver, 1991). NNGDOs use the involvement of community volunteers in programmes to create the perception of instilling some sense of community ownership. The aim here is to help them maintain their presence and influence at the community level at all times, thus demonstrating an element of sustainability from NNGDOs and donors' perspective. It is also an indication that intended beneficiaries are 'responsible citizens' able to promote their own development independent of external support which reflects the wider sustainability rhetoric promoted by donors.

The empirical findings point to a lack of understanding of volunteerism among intended beneficiaries. This is caused in part by NNGDOs' inability to properly communicate their activities and programmes to wider audiences. Volunteer management practices are poorly understood by NNGDOs. For example, NNGDOs do not have a clearly spelt out procedure for selecting formal volunteers. Selection is mainly through informal conversations and personal connections with management. However, for community-led volunteers, selection is done in consultation with community leaders. It is important to mention that while the study findings point to a lack of volunteer management practices, it contradicts Kamstra and Schulpen's (2015) observation that volunteer engagement by NNGDOs in Ghana is limited because they are professionalised and highly dominated by academic elites. While such assertions might be true for large urban-based NNGDOs, this cannot be said of small district and regional-based NNGDOs.

### **8.1.2.2 Corporate philanthropy**

Although corporate organisations claim to undertake CSR, there is a clear lack of engagement with NNGDOs in project implementation. A plausible explanation is that, for fear of complying with conflicting demands and pressures from corporate organisations, avoidance tactic of *outright rejection* is employed by mission-driven NNGDOs. In doing so, they avoid interactions with corporate organisations perceived as problematic to the attainment of NNGDOs' organisational values. Rejection is used when there is divergence of interests and serves as a long-term rather than a short-term strategy for safeguarding organisational values. The rationale is to help NNGDOs circumvent conditions that reinforce conformity to institutional pressures. Of particular interest to the discussion of rejection is that it is used largely by well-established NNGDOs with alternative sources of funding. This demonstrates the extent to which the level of resource dependence influences NNGDOs' rejection of corporate funding (Pfeffer and Salancik, 2003). Rejection is also informed by specific organisational characteristics including leadership who are committed to safeguarding organisational values. Rejection is similar to Oliver's (1991) tactic of escape where organisations change goals and domains to avoid conformance to institutional pressures. However, as this research demonstrates, NNGDOs practising rejection do not change their goals or domains but rather adhere to their core organisational values. For this reason, using escape here would imply that NNGDOs are passive agents who change or exit their domains because of institutional pressures from corporate organisations. For this reason, the application of escape in NNGDO-corporate relationships remains limited.

While rejection is not a widespread tactic in relation to corporate funding, NNGDOs employed bargaining tactic. Bargaining is necessitated by interdependency between corporate organisations and NNGDOs (Oliver, 1991; Pfeffer and Salancik, 2003). In fact, as Oliver points out, bargaining involves an active exertion of agency because it involves negotiations and concessions. From a resource dependency perspective, while NNGDOs depend on corporate organisations for resources, it provides the latter an opportunity to enhance their credibility and legitimacy with stakeholders as they are perceived as 'more caring' to the needs of people. Corporate organisations use their CSR as a public relations tool for gaining legitimacy where the aim is to manipulate public perception. The main driver of CSR is the need for brand enhancement and the creation of awareness about their products. CSR is used to gain legitimacy so that they can continue to secure resources from the public through the marketing of their products (Suchman, 1995; Pfeffer and Salancik, 2003). It is important to mention that the development of strong network ties between NNGDO leaders and corporate representatives facilitates compromise (Oliver, 1991). Most decisions concerning CSR are also discretionary, with senior corporate managers solely deciding which projects or NNGDOs to support. The voluntary nature of CSR creates more room for NNGDOs to negotiate with corporate officials in order to balance their expectations given the strong social ties some NNGDO leaders enjoy.

### **8.1.2.3 Corporate philanthropy and INGDO-NNGDO power imbalance**

NNGDOs' engagement with corporate organisations signals a move towards reduced dependency on external funding. Nonetheless, it raises questions about potential power dynamics, reinforcement of alternative dependency and the risk of damaging their reputation and credibility that is likely to come into play. In terms of power dynamics, the lack of perceived organisational capacity for NNGDOs has resulted in a higher preference for INGDOs by corporate organisations (Section 6.2.1). Implicitly, this has the potential to relegate NNGDOs to the background while INGDOs take centre-stage in their dealings with corporate organisations as part of their domestic resource mobilisation strategies given that their own sustainability is at stake. This finding on the sustainability challenges faced by INGDOs is similar to what other scholars have observed in the literature (e.g. Walton et al., 2016; Hayman and Lewis, 2017).

Informed by the strong competition for limited domestic resources, it is plausible to suggest that NNGDOs will continue to play sub-contracting role to INGDOs given their sophisticated branding and marketing strategies, established systems and strong connections with corporate organisations which make it easier for them to secure corporate funding. This reflects the inequality and power asymmetries associated with resource exchange and inter-organisational relationships captured in resource dependency theory (Pfeffer and Salancik, 2003). The overshadowing of NNGDOs by INGDOs in their quest for survival is part of a long-standing discussion of power imbalance in INGDO-NNGDO relations. For example, the point raised by Cooley and Ron (2002) about increased competition for resources between INGDOs and local NGDOs has resonance here. Similarly, Fowler (2016) echoes many of these points where he argues that INGDO-corporate partnership could lead to the overshadowing of local NGDOs especially in countries like Kenya where some INGDOs are acquiring local registration status to become ‘dual citizens’ within the aid ecosystem. The situation in Ghana is similar. Nonetheless, there can be cooperation amidst competition for scarce resources.

INGDOs’ actions and practices further ‘cripple’ NNGDOs’ organisational growth and capacity. This is manifested through the poaching of staff given the inability of NNGDOs to retain staff and offer lucrative salaries. The empirical evidence suggests that INGDOs and their masters (i.e. bilateral and multilateral donors) are equally culpable for the capacity challenges faced by NNGDOs because of their predatory behaviours. As mentioned earlier, the lack of organisational capacity in retaining staff relates to donor funding modalities and its associated restrictions of core funding. It demonstrates the negative impact donor funding modalities is having on the staffing patterns of small and medium-sized NNGDOs. Similar concerns about how donor funding modalities disrupts southern NGDOs through staff turnover have been reported in the literature (Wallace et al., 2006; Elbers and Arts, 2011; Buckley and Ward, 2015). Despite the increasing concerns raised about how donors’ actions affect small and medium-sized NNGDOs, they are unwilling to have a rethink of their actions and practices.

Absence of core funding threatens the sustainability of many small NNGDOs because those without the needed human resource capacity struggle in seeking funding. Organisational size is therefore a major factor that influences perceived capacity and ability to receive funding. For this reason, small and medium-sized NNGDOs find themselves in a vicious circle of low organisational and financial capacity where their inability to get core funding affects their ability to retain competent staff. This in turn influences the quality of proposals submitted to donors and their ability to mobilise alternative funding streams. Given their weak capacity, donors are unwilling to deal with them directly because of the lack of perceived trust. This compels them to become sub-grantees to INGDOs. The high preference for INGDOs demonstrates the extent to which NNGDOs’ size influences resource mobilisation and survival prospects. In the next section, I analyse the potential of government funding as a domestic resource for NNGDOs.

#### **8.1.2.4 Government funding and support**

For government funding, whereas previous literature suggests that it constitutes an important source of NGDO funding (Hailey and Salway, 2016; Suárez and Gugerty, 2016), the results from this study indicates otherwise. The prospects of government funding to promote a vibrant and sustainable NNGDO sector remain questionable because of its unpredictability. Nonetheless, the recent years have seen the redirection of donor funding to government institutions as part of their exit strategies following Ghana’s transition to LMIC status. As discussed in Section 5.2, Ghana aims to become an ‘aid-free country’ as part of its commitment to the Compact signed with DPs in 2012. For this reason, changing donor funding modalities has resulted in increased funds through central government institutions for project implementation where they are urged by DPs to work in collaboration with NNGDOs as subcontractors (Section 6.2.4). However, the empirical evidence indicates that the dominant support given to NNGDOs by government institutions at the regional and district level is in-kind (e.g. collaboration, capacity building, information sharing and

joint proposal writing) rather than in-cash. The contribution of the central government to NNGDOs' funding is therefore modest. In instances where direct funding is given, it is one-off and depends largely on the extent of NNGDO leaders' personal connections with government officials.

This study's finding therefore raises questions about NNGDOs' roles in public service provision given that government support is relatively small. Moreover, in the absence of external funding, the study finds little evidence to suggest that the government could continue to fill the service provision gap by supporting NNGDOs. In this regard, for direct government funding to NNGDOs to succeed, it requires conscious effort such as the establishment of an independent national funding agency that will oversee such disbursement. This reflects Booth's (2013) idea of 'arms-length' facilitation involving the use of semi-autonomous change agents in development processes. For Ghana, there is the need for an institutional change in terms of government attitudes and relationship towards NNGDOs and CSOs. However, this will also greatly depend on NNGDOs' ability to prove their worth in terms of the value addition their presence brings to society. At present, this remains a herculean task as most stakeholders consider NNGDOs as just noisemakers and attention seekers without any demonstrable impact (Section 6.2.1). This also raises interesting questions about NNGDOs' transparency, accountability and responsiveness to their domestic constituents.

### **8.1.3 Thematic, operational and locational diversification**

#### **8.1.3.1 Thematic diversification**

Thematic diversification occurs because of NNGDOs' acquiescence to donor request for project implementation. The rationale for acquiescence is organisational survival amidst uncertainty in funding opportunities. In doing so, NNGDOs employ tactics of compliance, habituation and imitation (Oliver, 1991). Compliance occurs when NNGDOs become attached to donors' priorities by adjusting their programme portfolios to be in alignment. The aim here is to ensure resource stability and reduction of threats to disbandment. NNGDOs' compliance can be interpreted as loyalty to donors where they habit to their funding priorities through taken-for-granted requests for programme expansion (Oliver, 1991). This has become part of their organisational routine and culture. However, the aim for such strong attachment is NNGDOs' own vested interests of acquiring resources for survival. The need for survival is therefore much more important to NNGDOs than sticking to organisational values and principles amidst difficulties.

It is worth noting that although NNGDOs are in total compliance with donor requests and funding priorities, it involves manipulative and opportunistic acts. Their compliance with donor requests is a strategic choice depicting NNGDOs as active actors in their own right. Opportunistic acts occur when they deliberately and voluntarily adjust organisational portfolios to meet donor demands. In doing so, they manipulate different donors to their advantage. This demonstrates an exertion of agency and affirms Oliver's (1991) observation that compliance is motivated largely by organisational self-interest for resource mobilisation. Leaders of well-established NNGDOs usually do not encourage thematic diversification because it results in loss of credibility. However, for small and medium-sized NNGDOs, it is a privilege to be called by donors for participation in upcoming projects because it is a demonstration of legitimacy. The empirical findings suggest that NNGDOs' legitimacy is internally generated and socially conferred by stakeholders. Internal generation of legitimacy refers to how NNGDOs perceive themselves and it is largely within their control because it is influenced by organisational culture. On the other hand, a socially conferred legitimacy is about how NNGDOs are perceived by outsiders (Suchman, 1995; Lister, 2003). Due to the socially constructed nature of legitimacy, donors encourage them to upscale their interventions by increasing programme portfolios.

An interestingly observation is that thematic diversification is practised by all NNGDOs irrespective of size and age (small, medium and large). The findings highlight the problematic nature of classifying NNGDOs as generalists and specialists based on organisational characteristics. For example, Uvin et al. (2000) assert that small NNGDOs are prone to becoming generalists than their established counterparts. However, the empirical findings demonstrate that small NNGDOs often mimic the behaviour of successful large NNGDOs engaged in thematic diversification to reduce uncertainty (DiMaggio and Powell, 1983). While many small NNGDOs are generalists, the same applies to large NNGDOs. The emergence of generalist NNGDOs is driven largely by the need for survival and being responsive to community needs. Mimicking behaviour of small generalist NNGDOs happens when leaders of large NNGDOs with organisational capacity relay information on upcoming funding opportunities to engage in consortia application. The study's finding is consistent with Oliver's (1991) and Meyer and Powell's (1983) tactic of imitation and mimetic isomorphism of perceived best practices and organisational behaviours from trusted partners in periods of uncertainty. Generalist NNGDOs mimic their perceived successful organisations that have secured funding from different donors in ensuring their survival in a resource-constrained environment.

#### **8.1.3.2 Operational and locational diversification**

Operational diversification is employed by NNGDOs to avoid unnecessary donor pressures. It involves the application of diverse strategies including acquiesce, compromise and defiance (Oliver, 1991). By acquiescing to donor demands, NNGDOs add new programmes at their request. For instance, NNGDO 24, a specialist organisation in CBE complied with the demands of its main donor to add new programmes in educational mainstreaming which hitherto was not part of its overall organisational programmes. However, the same organisation became defiant by dismissing calls from other donors to add agricultural interventions to its educational programmes. The empirical finding demonstrates that the extent of compliance or dismissal of an institutional pressure is determined by the degree of resource dependence (Oliver, 1991; Pfeffer and Salancik, 2003). NNGDOs highly dependent on donors tend to comply with their demands because withdrawal of support increases threat to organisational survival. While acquiescing to donor requests is an indication of power imbalance in NNGDO-donor relations, NNGDOs leaders are reluctant to admit that they are 'donor stooges'. This affirms earlier arguments that acquiescence is both a passive and active strategy employed by NNGDOs.

Contrary to previous literature that suggests that specialisation guides against goal displacement and mission change (e.g. Mitchell, 2014), the empirical findings seem to suggest that this might not always be case. Although specialist NNGDOs concentrate on a narrow set of programmes, they shift focus from their main organisational goals which also in turn makes them multi-mandate organisations within the same sector. For instance, even within the same sector, many specialists NNGDOs in education and health have shifted focus from service delivery to social accountability issues in response to changing donor priorities (Section 6.4.2). This indicates that in an environment of high donor dependency, specialists NNGDOs are prone to goal displacement just like generalists. Although specialists NNGDOs have a narrowly defined goals and programmes, the need for survival amidst intense competition with others is compelling them to become 'pro-generalist' in a subtle way. The findings suggest that specialists NNGDOs rebrand their programmes like generalists in response to changing funding priorities but it occurs within the same sector. This blurs the distinction between generalists and specialist NNGDOs.

Nonetheless, for some specialists NNGDOs, their low dependence on donor resources allows for the exercise of active agency by dismissing conflicting donor pressures. A key driver of dismissal strategy is organisational culture and leadership. In their analysis of strategies for addressing resource dependence, Pfeffer and Salancik (2003) underscored the role of organisational leadership in resource acquisition. The findings indicate that some NNGDOs are strongly informed by the need to maintain organisational

credibility, hence they contest and dismiss donor pressures irrespective of the cost (Oliver, 1991). This is influenced by leaders' ability to adhere to organisational values rather than following donor demands. Dismissal is risky for organisational survival especially when alternative sources of funding are limited. Defiance and its associated tactic of dismissal demonstrate a higher exertion of agency compared to acquiescence and compromise. Defiance by NNGDOs differs from the observation made by Elbers and Arts (2011) and Awuah-Werekoh (2015) who found that some NNGDOs in Ghana were unable to defy donor institutional pressures because of their dependence. NNGDOs employ defiance when they perceive a threat to organisational values arising from conflicting institutional pressures. Defiance occurs when the degree of consistency between organisational goals and institutional pressures is low (Table 3.2) (Oliver, 1991).

When faced with difficulty in dismissing donor demands, NNGDOs compromise by balancing their values with that of donors or negotiate conditions of the demands. Balancing is used when specialist NNGDOs seek to meet the integrated needs of intended beneficiaries and donors. By doing so, the aim is to generate organisational legitimacy by becoming responsive to stakeholder demands while at the same time ensuring their survival through dependence on donor resources. The application of specialisation in ensuring organisational sustainability is difficult in a resource-constrained environment. While specialisation enhances credibility because it prevents 'jack-of-all-trades syndrome' that confronts generalist NNGDOs, it exposes organisations to increased competition for scarce resources within their specific sectors of operation. This in turn affects prospects for sustainability. Notwithstanding the survival threats, competition promotes organisational legitimacy by way of increased accountability to stakeholders on whom NNGDOs depend for support.

On the other hand, the empirical findings indicate that donors' preference for funding big NNGDOs with national presence in addition to NNGDOs' desire to support unserved communities fuels locational diversification. Expansion of operating communities is a legitimacy building strategy by NNGDOs. In addition, it helps them secure different funding streams for organisational survival while at the same time increasing their presence and visibility. Arguably, the decision to engage in locational diversification involves an element of manipulation where NNGDOs seek to shape values and criteria by becoming more visible. Aside from manipulation, they compromise by balancing the demands of donors and community members (Oliver, 1991). When faced with multiplicity of constituent demands, NNGDOs tend to compromise mainly because of the need to meet different expectations. In doing so, tactics ranging from balance, pacify and bargain are employed to ensure organisational survival.

In the next section, I discuss networks and partnership as a tactical survival strategy. In doing so, the aim is to analyse the influence of institutional and resource dependency pressures on inter-organisational cooperation. The analytical lens of RDT, NIT and Oliver's typology are applied to explain the empirical findings.

## **8.2 Networking and partnerships**

NNGDOs employ networking to influence and manipulate their operating environment. Although it is far from new, the study finds that uncertainty, coercive institutional pressures from donors and resource interdependency (e.g. funding, information and legitimacy) has compelled NNGDOs to increase their cooperation through consortia (DiMaggio and Powell, 1983; Pfeffer and Salancik, 2003). The formation of complex networks is in compliance with donor directives requiring NNGDOs to work in groups. Networking through consortia therefore serves as a tactical coping strategy. Consortia create interdependencies driven largely by uncertainty in the operating environment. Survival in such an environment is determined by ability to work with others. This affirms Pfeffer and Salancik's (2003)

observation that organisations are embedded in a network of interdependencies in a resource-scarce environment where they engage in coordination to reduce uncertainty.

It is noteworthy that a defining feature of consortia is the need for better access to financial resources and mutual dependence. This helps in maintaining organisational autonomy because high mutual dependence creates room for negotiation. Mutual dependence is manifested in the need for bilateral dependencies. For instance, small district and regional-based NNGDOs due to capacity challenges are unable to independently apply for donor funding while large NNGDOs are required to work in consortia with small NNGDOs as part of donor funding requirements. The formation of consortia arises out of necessity rather than self-motivation of NNGDO leaders for collaboration. In this regard, small NNGDOs depend on large NNGDOs and vice versa which creates a sense of joint dependence through the exchange of resources (Pfeffer and Salancik, 2003).

Moreover, given the criticality of resources and the difficulty associated with finding trusted alternative NNGDOs to engage in consortia, organisational leaders are able to negotiate over excessive demands placed on them by their peers. When there are diverse interests between NNGDOs, negotiation is applied because each organisation is motivated by self-interest. Against this backdrop, negotiation is possible because of mutual accountability and reciprocity between interdependent NNGDOs. Mutual accountability is due to power-balance in exchange relations between small and large NNGDOs. On the other hand, reciprocal exchanges occur when small and large NNGDOs offer attractive and critical resources in their relationships which allows for loss of autonomy by both partners. Resource exchange between NNGDOs is critical for their survival and therefore challenges the argument that in Ghana “NGOs do not depend upon each other for survival” and “collaboration for survival is also not as necessary” (Kamstra and Schulpen, 2015:340). I argue that such statements remain highly contested because of its broad generalisation which does not reflect ground-level reality. In contrast, the empirical findings highlight that for NNGDOs, inter-organisational cooperation is a critical survival strategy.

Dependency is reciprocal and reflects Pfeffer and Salancik’s (2003:53) idea of countervailing resources which makes it possible for organisations to compromise their autonomy for mutual benefits. Arguing along similar lines, Oliver (1990:244) maintains that reciprocity promotes inter-organisational relations because it is underpinned by cooperation, collaboration and coordination rather than domination and power asymmetry. This idea will be challenged in Section 8.2.3 because inter-NNGDO relations are not egalitarian. It is important to note that in a mutually dependent environment, NNGDOs negotiate with one another to avoid risk of losing benefits from exchange relations. In doing so, they engage in long-term inter-organisational cooperation to stabilise their negotiated exchanges. However, this study finds limited evidence to suggest that NNGDOs engage in constraint absorption (i.e. mergers and acquisitions) as suggested by resource dependency theorists (Pfeffer and Salancik, 2003; Casciaro and Piskorski, 2005; Davis and Cobb, 2010). I argue that mergers and acquisitions among especially small district and regional-based NNGDOs are unlikely to happen because they are highly personalised and influenced by deep ideological values. For many of these NNGDOs, their leaders serve as the key source of organisational dependence for financial and non-financial resources. Against this backdrop, they tend to serve the interest of their founders; hence merging with others might lead to perceived loss of autonomy, control and organisational values. This is also influenced by fears that a merger might reduce future revenue opportunities and leadership challenges such as claims of ownership in addition to complete erosion of sovereignty of decision-making processes. While Pfeffer and Salancik (2003) suggest that competitive interdependence is reduced through horizontal expansion, it is rare for it to happen among NNGDOs mainly because of non-distributing constraints associated with their operations. This is not to suggest that mergers among NNGDOs are uncommon. For example, as mentioned in Section 7.2.2, IBIS has merged with Oxfam to become Oxfam IBIS in Ghana due in part to efficiency reasons, financial difficulties and



quest for greater influence. However, for NNGDOs, it is impossible to acquire their competitors through horizontal mergers in order to reduce uncertainty, increase dominance and organisational power. The inability of NNGDOs to practice mergers demonstrates the difficulty associated with some of the strategies outlined by Pfeffer and Salancik (2003) for reducing dependency.

From a resource dependency perspective, competition reduces cooperation and information sharing. The structure of donor funding system is an important driving factor. For instance, donor funding modalities of short-term projects and measurable results produce intense competition for limited resources, hence reducing cooperation. Resource scarcity has made NNGDOs to become self-interested and strategic actors whose preoccupation is the mobilisation of resources for their own survival. In fact, market-based structure of donor funding has compelled NNGDOs to prioritise and respond to material incentives for furthering their self-interests (Cooley and Ron, 2002). Intense competition is therefore caused in part by donors' systemic influence on the funding landscape and limited opportunities for mobilising domestic resources. Aside from donor influences, limited cooperation is fuelled by perception of getting less credit, recognition and reduced visibility for individual NNGDOs when they cooperate. NNGDO leaders are more interested in individual recognition and glory claims that put their organisations at an advantaged position. Surprisingly, some NNGDOs leaders backbite and report their colleagues to donors in order to gain favour. This is based on the assumption that it will give them legitimacy in the eyes of donors which creates opportunity for accessing donor funding. Competition compels NNGDOs to differentiate themselves by claiming to be more resource deserving than their counterparts through "claim-bearing label" where they portray themselves as "doing good" by serving the interest of the poor (Hilhorst, 2003:7).

Although donor funding regimes produce competition, they also reinforce cooperation where NNGDOs leverage on their collective expertise to achieve project results. Resource scarcity promotes cooperation as NNGDOs seek to reduce overhead costs by relying on the strength of others. Arguably, the relationship between competition and inter-organisational cooperation remains inconclusive because competition tends to promote and stifle cooperation among NNGDOs at the same time. As the empirical evidence points out, there can be cooperation amidst intense competition. This seems paradoxical and challenges previous literature about the impossibility of competition to exist in tandem with co-operation (e.g. Cooley and Ron, 2002). Most discussions of inter-NNGDO relationships treat competition and cooperation as separate organisational processes. However, I contend that such analysis is problematic and unhelpful because despite increased competition for scarce resources, interdependency ensures collaboration. The above evidence lends support to neo-institutional and resource dependency arguments that institutional pressures within an environment can necessitate both competition and cooperation (DiMaggio and Powell, 1983; Oliver, 1990; Pfeffer and Salancik, 2003).

### **8.2.1 Isomorphic pressures in inter-organisational collaboration**

Networking among NNGDOs is fuelled by donors' coercive isomorphic pressures where funds are channelled through groups of NNGDOs rather than direct funding to individual organisations. NNGDOs acquiesce to donor pressures when the benefits of social legitimacy for organisational survival are high. Given that belonging to a network is a prerequisite for funding application, NNGDOs comply because of their dependence on donor resources. This finding seems to have resonance with Oliver's (1990) critical contingency factor of 'necessity' in inter-organisational relationship where the aim of collaboration is to meet legal or regulatory requirements. As discussed in Section 3.2.1, imposition of coercive isomorphism depends on the level of resource dependence (DiMaggio and Powell 1983; Pfeffer and Salancik, 2003).

Pfeffer and Salancik (2003) maintain that organisations are reluctant to enter into collaborations when threats to compromising their autonomy and independence are high. However, as the empirical findings demonstrate, given donors' coercive pressures and the need for critical resources, many NNGDOs compromise organisational autonomy when there is mutuality in relationship. This study further reveals that because of the informal and inter-personal nature of cooperation agreements and accountability, it is difficult to hold small non-performing NNGDOs to account through legal sanctions. This is influenced by the tendency for NNGDO leaders to maintain personal ties even when there is no probability of future collaboration for funding. In light of this, interpersonal ties and mutual dependence makes it rare for partnership termination. While RDT is relatively silent on the role of inter-personal connections in networking, the study findings show that inter-personal connections is a tactical resource mobilisation and network formation strategy. Inter-personal connections promote trust among NNGDO leaders which gives them the confidence that all partners will honour cooperative arrangements. Thus, informal accountability is facilitated by informal expectations and behaviours among NNGDO leaders which create a sense of collective accountability through norms of trust. The development of trust among network members helps NNGDO leaders to build their reputation which in turn increases access to resources including funding information and partnership.

Organisations secure legitimacy through inter-organisational cooperation with prominent partners. For example, the evidence points out that small district and regional-based NNGDOs develop relationships with well-established NNGDOs to enhance their visibility, image and reputation. This provides them access to critical resources (Suchman, 1995; Pfeffer and Salancik, 2003). For small NNGDOs, networking with established NNGDOs is a privilege. This is also not to suggest that small NNGDOs are weak, powerless and do not exercise agency. Of course, they seek to shape the processes that embed power structures although they are limited to an extent. As the empirical findings demonstrate, NNGDOs allow their dependency to co-exist with agency. For resource-based reasons, small NNGDOs to some extent are willing to trade their autonomy if it is not detrimental to organisational survival. In what follows, I analyse the drivers of institutional pressures on NNGDOs.

### **8.2.2 Drivers of institutional pressures on networks and coalitions**

Institutional pressures on NNGDOs exist in mimetic, coercive, and normative forms (DiMaggio and Powell, 1983). For mimetic pressures, it is reinforced through networks and coalitions where established NNGDOs are instructed by donors to nurture their emerging counterparts on 'perceived best practices'. Donors' insistence on learning from other NNGDOs is to ensure harmonisation of project results where common yardstick and indicators could be used in assessing performance. Harmonisation helps donors in meeting their measurable targets while reducing transaction cost, fiduciary risk, duplication and burden placed on their limited staff.

In addition, 'learning from others' is part of the wider donor rhetoric of ensuring NNGDOs' sustainability through capacity building. For this reason, when small NNGDOs collaborate with and learn from big NNGDOs as part of donors' capacity building rhetoric, it becomes a lip-service mechanism demonstrating their commitment towards sustainability. Donors use sustainability discourse to manage uncertainty associated with their own funding where they shed responsibility for their long-term commitments to NNGDOs. By emphasising capacity building from project onset, they are able to put pressures on NNGDOs to improve their governance and management structures in order to ensure better delivery of their aid projects. In this regard, capacity building has become a mechanism for donors in identifying their perceived competent and legitimate NNGDOs that would ensure the efficient and effective use of their limited resources. Capacity building acts as a rationalised myth within the institutional fields of NNGDOs (Meyer and Rowan, 1977; Oliver, 1991). Donors have reconstructed NNGDOs' organisational field by

making capacity building the dominant institutional logics. However, donors' capacity building mechanisms are largely tokenistic. As the empirical findings reveal, donors' capacity building for NNGDOs is not purposely targeted at ensuring sustainability but a means for achieving project results and reinforcement of dependency. To this end, the promotion of capacity building and its resultant mimetic isomorphism among NNGDOs is to donors' advantage and demonstrates the extent of their opportunistic behaviours.

For NNGDOs, mimetic isomorphism is as a result of indirect acquiescence to donor pressures. Acquiescence is driven by prevailing institutional logics in terms of appropriate style which guarantees organisational legitimacy (DiMaggio and Powell, 1983; Oliver, 1991). In this regard, mimetic isomorphism is in direct response to changes in donor funding policies and spreads through self-regulation mechanisms by networks and coalitions. In particular, self-regulation has become necessary given the absence of a regulatory framework and serves as a substitute for government's failure to regulate NNGDOs. In ensuring collective legitimacy, networks and coalitions set standards and rules of conduct for members to prevent their actions from being questioned. This helps them to redeem their negative public perception and distrusted image of non-accountability. Collective self-regulation also curbs free-riding problems within NNGDO networks and coalitions. For instance, the Ghana Coalition of NGOs in Health claims to self-regulate its members through initiatives such as written constitution and code of conduct that spells out members' rights and responsibilities. The constitution has a sanctions clause that allows them to expel non-complaint members. From an institutional standpoint, self-regulatory mechanisms have become the common standards to which all members must adhere to. This in turn promotes peer learning and mimicking of common practices (DiMaggio and Powell, 1983).

Ensuring effective compliance of common standards is a strong mechanism for sending reputational signal to stakeholders. However, compliance is determined by factors including NNGDOs' self-interest of securing resources (e.g. funding, visibility, reputation and legitimacy) and the sharing of perceived best practices. Shared norms and values influence compliance with self-regulation mechanisms because non-compliance with rightful conduct is subject to punitive measures. Compliance is therefore an important sector-wide legitimisation tool for networks and coalitions. However, it is influenced by resource dependence and isomorphic factors (DiMaggio and Powell, 1983; Oliver, 1991; Pfeffer and Salancik, 2003). The study finds limited evidence of the use of coercive pressures by networks and coalitions with regards to self-regulation where formal sanctions are applied to non-compliant NNGDOs. This is due to the voluntary and weak nature of their enforcement. For example, due to financial and capacity constraints, the networks and coalitions are unable to conduct proper enforcement of self-regulatory mechanisms such as annual field monitoring and evaluation of members.

Networks and coalitions are also reluctant to strictly enforce self-regulation for fear of losing members which indirectly affects revenue performance, status and legitimacy. Since their strength depends on having large membership base, it is in their interest to regulate members with a 'soft touch' rather than an 'iron hand' which makes under-regulation very common. Similar occurrences of the weak nature of self-regulation among NGDOs have been reported in the literature (Alikhan et al., 2007; Gugerty, 2010; Burger, 2012). Self-regulation is also influenced by institutional capacity and professional norms of the sector. Due to weak and voluntary enforcement, self-regulation produces selection bias and reinforces structures of asymmetrical power relations where well-established and vocal NNGDOs are able to circumvent punishment (e.g. expulsion and refusal for third party endorsement) for non-compliance. The personalised nature of NNGDOs makes it possible for leaders to use their strong connections in capturing and influencing networks and coalitions to serve their interests. Organisational characteristics including size, age and leadership style is crucial in determining NNGDOs' position within networks and coalitions.

Although networks and coalitions are assumed as a level-playing ground for members, the empirical finding suggests that this is not the case because of weak regulatory mechanisms. This study finds no evidence of NNGDOs' use of certification clubs in the absence of self-regulatory mechanisms. In fact, none of the networks and coalitions reported engaging in voluntary clubs and certification. In light of this, NNGDOs have resorted to sector-specific standards and voluntary codes of conduct albeit their enforcement remains lax. This tends to reinforce power imbalance among NNGDOs. This is explained in detail in the section below.

### **8.2.3 Power imbalance in NNGDOs' institutional field**

Power imbalance occurs at two levels: i) between donors and NNGDOs and ii) within NNGDOs (i.e. between large and small). For donor-NNGDO relationships, differential access to resources results in power imbalance (Pfeffer and Salancik, 2003). NNGDOs' dependence on donors for critical resources gives the latter power to exercise control over the former. For example, some INGDOs are able to impose conditions that side-line NNGDOs whose organisational documents have been used in writing grant proposals in consortia upon approval (Section 7.2.2). This is due to NNGDOs' dependence on INGDOs for critical resources. Power differential is also reinforced through project implementation where decision making on project conceptualisation, objectives and performance indicators are mostly INGDO driven. Moreover, project outsourcing by INGDOs indirectly suppresses NNGDOs' creativity and innovativeness because they are compelled to implement projects designed by INGDOs with relatively little input by NNGDOs. By doing so, it promotes mimetic isomorphism because NNGDOs are required to learn from the perceived robust governance structures of INGDOs. In addition, the unwillingness of donors to fund unsolicited proposals demonstrates the extent of power imbalance. This shows the extent to which donors exercise power over NNGDOs because of their resource discretion. They tend to regulate resource allocation through their funding modalities (Pfeffer and Salancik, 2003).

For NNGDOs, power imbalance also is exercised through consortia and coalitions. Power exists whenever an actor controls resources (Pfeffer and Salancik, 2003). For example, through sub-grantee relationships, large NNGDOs who are members of coalitions act as 'donors' to small NNGDOs in project implementation. For this reason, their access to resources and ability to dictate terms of partnership makes them to wield enormous political power and control. Moreover, the findings point out that established NNGDOs are more willing to enter into relationships with small and weaker counterparts in order to control resources. The informal nature of partnership agreements makes it possible for large NNGDOs to reinforce their dominance over small NNGDOs in project implementation. This finding contradicts Casciaro and Piskorski's (2005) argument that powerful organisations are less reluctant to cooperate with dependent organisations for fear of losing their powerful position as they may be forced to compromise on their autonomy. Discussion of power imbalance among NNGDOs in networks and consortia has received little critical attention in the NNGDO literature. However, findings from this study indicate that power imbalance is a defining characteristic of NNGDOs' networks and coalitions in terms of structural positions occupied by members and their resource endowments. The governance system of networks and coalitions also serves as an important mechanism for sustaining power imbalance because it determines the extent of autonomy and use of agency.

Although NNGDOs are embedded in power structures, they are not without agency which helps them to negotiate unequal relationships. For example, when it is difficult for NNGDOs in networks and coalitions to negotiate unequal power relations, they employ the tactic of escape by changing domains where they fall out from the networks and coalitions to set up transactional networks (Section 5.8.3). Breakaway results from unequal power relations, exploitation, lack of perceived benefits and personal differences.

This demonstrates the agentic ability of NNGDOs and their freedom to decide and strategically respond to conditions of unequal power relations.

### **8.3 Cost recovery**

Cost recovery involves the combination of strategies and tactics ranging from defiance to avoidance of donor control. In particular, it highlights that NNGDOs create reserves by dismissing donor financial procedures. They dismiss donor financial guidelines because it conflicts with their organisational quest for survival. Dismissal represents an active exertion of NNGDOs' agency. NNGDOs deliberately ignore explicit norms and values about financial management through concealment where they disguise their non-conformance in order to be recognised as legitimate actors by donors and other stakeholders. As the empirical findings highlight, concealment occurs when savings are made from projects without disclosure to donor representatives.

Given the challenge of not having overheads covered, NNGDOs conceal their financial information to cater for overheads. By doing so, on paper, they pretend to be following donors' budget lines but in reality, inaccurate financial information is presented. They disguise their nonconformity because making a disclosure has repercussions on subsequent fund disbursement. The creation of reserves through concealment ensures their survival in the absence of donor funding. Similar accounts of concealment has been reported in the literature (Townsend et al., 2004; Wallace et al., 2006; Elbers and Arts, 2011; Awuah-Werekoh, 2015). For example, Elbers and Arts (2011) suggest that NNGDOs in Ghana and India employed the tactic of misrepresenting information to donors especially when disclosure is perceived as a threat to organisational survival. Similarly, Ebrahim (2002) reports of NNGDOs' ability to divert funds for projects donors are unwilling to support through buffering strategies.

The empirical findings point to a lack of clear distinction between concealment and buffering tactics as suggested by Oliver (1991). This is because NNGDOs use their conformance to accounting procedures as a window dressing approach in order to present a desired image of themselves to donors which helps in securing legitimacy (Meyer and Rowan, 1977). I contend that most NNGDOs conceal savings from donor resources to create buffer as a mechanism for ensuring resource stability and organisational survival in the absence of donor projects. The empirical findings suggest that the use of informality and personal connections between NNGDOs and donor representatives to some extent facilitates concealment. Personal connections create opportunities for extending NNGDO-donor relationships beyond formal bureaucratic and professionalised processes and paper work. The creation of reserves through concealment points to NNGDOs' ingenuity and creativity and it is an unintended consequence of donors' coercive pressures and increased interest for short-term results. However, it raises questions about the extent to which donors' behaviour and practices indirectly perpetuate the use of concealment by NNGDOs. Thus, NNGDOs exercise agency by engaging in subtle resistance strategies not open to public scrutiny.

Projectised donor funding has created a mentality of generating reserves in periods of abundance. This is reinforced by elements of mimetic isomorphism where NNGDOs copy other successful organisations able to build their own office space through reserves from projects (DiMaggio and Powell, 1983). Despite the heightened financial accountability mechanisms and the release of funds in tranches aimed at curbing perceived negative financial practices, NNGDOs are able to circumvent such complex donor processes. The creation of reserves through concealment highlights the chasm between donors' quest for financial transparency and ground-level realities. This is not to suggest that NNGDOs engaged in corrupt practices, rather it demonstrates the extent to which funding challenges compel NNGDOs to make active choices to circumvent stringent donor financial systems by becoming more efficient in the usage of resources.

In the next section, I discuss NNGDOs' strategy of branding and visibility to illustrate how they manipulate their operating environment.

#### **8.4 Brand and visibility**

In manipulating their operating environment, NNGDOs constantly engage in the construction of organisational identity to influence the perception of stakeholders. Given the socially constructed nature of reputation, NNGDOs build their organisational brand by becoming more visible in order to influence stakeholders. When NNGDOs are perceived as legitimate, it increases their chances for resource mobilisation (Suchman, 1995; Pfeffer and Salancik, 2003). In contrast to Oliver's (1991) prediction that organisations employ manipulation strategy when the need for legitimacy is low (Table 3.2), the empirical findings indicate that for NNGDOs, branding as a manipulation strategy is employed when the need for legitimacy is high. What might account for the differences in the predictive factors between the empirical findings and Oliver's prediction is that her typology is not exhaustive in capturing all the strategic responses employed by NNGDOs because it only explains institutional processes rather than wider environmental dynamics.

Branding as a legitimacy seeking strategy reflects institutionalist arguments that organisations are embedded in institutional contexts where their actions are judged based on conformance to acceptable guidelines which they gives them legitimating rights (Meyer and Rowan, 1977; DiMaggio and Powell, 1983). NNGDOs are perceived as legitimate based on their expert capacity and speciality within a particular operating field. Their expert capacity is akin to pragmatic legitimacy because of the assumption that it serves the interests and needs of stakeholders. At the same time, for NNGDOs with high cognitive legitimacy, there is no need for justifying their actions because they have become taken-for-granted (Suchman, 1995). Organisational branding reflects both institutional and strategic approach to legitimacy. Strategically, NNGDOs initiate tactics to enhance their visibility and legitimacy such as publication of impact stories with the aim of marketing their achievements when engaging stakeholders. Largely, it demonstrates the use of managerial agency in the construction of legitimacy where evidence-based approach aimed at furthering the interests of the organisation is employed.

However, as institutionalists would argue, legitimacy is socially constructed by stakeholders independent of managerial agency. For this reason, stakeholders confer legitimacy on NNGDOs (Meyer and Rowan; 1977; Meyer et al., 2013). I contend that NNGDOs' legitimacy is both socially conferred and internally generated because they tend to have control over their internal legitimacy based on management decisions. From a socially constructed understanding, branding and evidence-based approach is aimed at seeking passive rather than active legitimacy (Suchman, 1995). A plausible explanation for the use of passive legitimacy by NNGDOs is because of their upward accountability to donors where they seek to achieve moral legitimacy (i.e. procedural and structural). For procedural legitimacy, NNGDOs embrace socially accepted procedures such as reporting to donors and government agencies through the submission of financial statements and project reports. It can be argued that NNGDOs' procedural legitimacy is fuelled in part by regulative elements of institutions which results in coercive isomorphism (DiMaggio and Powell, 1983; Scott, 1995). On the other hand, the use of evidence-based approach represents structural legitimacy because NNGDOs present themselves to donors as 'right organisations for the job' based on their previous experience. In doing so, organisational technical capacity and identity becomes mechanisms for attaining structural legitimacy because it is an indication of perceived effectiveness.

NNGDOs' identity is a useful differentiation strategy for gaining competitive advantage over peers (Barman, 2002). As the empirical findings demonstrate, image is key to promoting differentiation because it determines the legitimacy NNGDOs garner from stakeholders. To this end, the assumption is that 'image is everything' but this is always not the case because in many instances, NNGDOs' authority and

reputation depend on the extent of their socially constructed legitimacy. Reputation is influenced in part by organisational visibility which can be a useful impression-creating tactic. In projecting a desired image of themselves, NNGDOs constantly engage with the media in order to share information about their programmes.

#### **8.4.1 NNGDO-Media engagement**

Aside from its legitimacy enhancing capabilities, branding through mainstream media is a useful marketing and publicity strategy. Media engagement has become an emerging trend of NNGDOs' advertising mainly because of the lack of awareness about their operations. Against this backdrop, they use publicity strategies to increase their presence and promote organisational awareness within mainstream media outlets. The aim is to influence key stakeholders to support them and it is part of the communication practices employed by NNGDOs to ensure their sustainability. Many NNGDOs are increasingly becoming obsessed with advertising their programmes by employing sophisticated technologies used by private business companies. NNGDOs are building strong alliances and collaborative networks with media outlets to enhance their brand and bolster legitimacy because increased media engagement results in brand acceptance. Since the media is an important source of normative pressures, NNGDOs are cautious not to have negative media coverage because credibility is precarious (DiMaggio and Powell, 1983; Scott, 1995).

NNGDO leaders use their personal connections to get publicity in mainstream media. Personal connections extend beyond NNGDO and donor circles to wider stakeholders. However, the distinction between media and NNGDOs is blurred because of their media-savviness. Through their personal connections, they are able to bargain with media outlets for getting coverage of their programmes while media outlets rely on them for expert views on policy discussions and development issues. Resource interdependency between NNGDOs and media outlets manifests in NNGDOs' need for awareness creation about their programmes, demonstrate impact and build organisational brand while media outlets rely on news generated by NNGDOs to garner readers which increases their revenue potentials. Despite their interdependent relationships, media outlets wield much power because they decide their reporting priorities. Media engagement presents conflicting demands for NNGDO managers because of the need to balance organisational goals and increased media attention (Oliver, 1991:152). In addition, investing in organisational visibility as an impression creating tactic demands financial resources especially where NNGDOs are required to pay money before placing advertisements. Striking a balance between using resources for media coverage and supporting intended beneficiaries is a challenge because donors are unwilling to invest in NNGDOs visibility.

Of interest to the discussion of NNGDOs' visibility is the role played by charismatic leaders in garnering moral legitimacy from constituents. Suchman (1995:579) argues that moral legitimacy is assessed based on four criteria: i) output and consequences (is the NNGDO doing the right things for intended beneficiaries); ii) techniques and procedures (is the NNGDO doing things right by following procedures); iii) categories and structures (is the NNGDO the right organisation for the job); and iv) leaders and representatives (is there a right leader for the job). Concerning leaders and representatives, the personal legitimacy of powerful charismatic leaders helps NNGDOs to maintain their reputation with stakeholders through the protection of organisational culture to ensure avoidance of mission drift. Moreover, they shape legitimatisation processes by the adoption of consummate manipulative skills and strategies including 'personal branding' (i.e. strategies used by NNGDOs leaders to promote themselves both online and offline). These individuals become the 'face of the organisation' and help in managing their public image through the building of inter-personal relations and moral authority within their fields of operations. While leaders' personal branding is useful for enhancing visibility, it indirectly overshadows NNGDOs.

In the following section, I discuss how NNGDOs are becoming engaged with alternative channels in digital media to enhance their organisational visibility.

#### **8.4.2 Digital media and NNGDOs' visibility**

In maintaining visibility, NNGDOs resort to digital media. This is on the basis that the way they present themselves determines their visibility, recognition and overall influence. NNGDOs rely on digital media including social networking platforms to get their information into the public domain by adopting journalistic values and practices into their communication strategies. Other scholars have reported of the increasing use of digital media by INGDOs in recent years (Powers, 2016; Walton, 2017; Jones, 2017). NNGDOs use digital media-centred publicities partly because their activities are localised at the regional and district levels which makes it difficult for uptake at the national level. Digital media has 'revolutionised' NNGDOs' knowledge management practices by reinforcing elements of professionalism. This is based on the need to professionalise their news making and knowledge generation strategies by hiring 'knowledge experts'. Knowledge management is also driven by the evidence-based agenda of donors. In light of this, having a well-developed knowledge management system fits perfectly well into donors' demands for transparent and accountable systems. Sharing of knowledge through digital media is therefore informed not only by legitimacy concerns but also by organisational learning processes. Implicitly, NNGDOs' knowledge sharing is informed by extrinsic and intrinsic factors in the sense that organisational learning has been driven by uncertainty in their operating environment.

Given the power and influence of social media in recent years, it is imperative for NNGDOs to learn by exploiting the opportunities it presents in garnering supports from the public. In this regard, managerial perception is crucial in processing information within their environment through scanning (Hambrick, 1982; Pfeffer and Salancik, 2003). Managerial perception influences how change within the external environment is communicated to other members. Social media platforms play a crucial role in NNGDOs' resource mobilisation and information dissemination practices because of its easy-to-use interactive platforms that enable organisations to communicate, narrate their story, disclose information and acknowledge donors. The study findings suggest that NNGDOs use social media for marketing activities and the mobilisation of resources rather than active engagement of stakeholders. In this regard, social media is one-way communication with little stakeholder engagement. Although it is useful for communicating to the general public because it provides greater access to information, it is somewhat an ineffective means for engaging wider audiences compared to mainstream media because its use is mostly restricted to targeted audience.

This is also due to capacity challenges which make it impossible for small NNGDOs to engage in meaningful online dialogue. Although social media has the ability to promote accountability and transparency to stakeholders because of its dialogic and information sharing capacity, the lack of core knowledge capabilities and competencies is a challenge. While the use of social media platforms reflects the increasing diffusion of technological innovation, it is largely mediated and influenced by organisational capabilities. It appears that although many NNGDOs have recognised the benefits of social media for organisational sustainability by investing in digital communication strategies, there is the need for them to think strategically about ways of using it to engage key stakeholders. In the section that follows, I turn to analyse and discuss NNGDOs' conformance to institutional pressures.



## **8.5 Conformance to institutional pressures through accountability**

NNGDOs' multiple accountabilities relate to intended beneficiaries, peer organisations and donors with different expectations and demands. Faced with this dilemma, they respond to stakeholders whose demands are salient through sequential attention (Pfeffer and Salancik, 2003). An institutional understanding of NNGDOs' accountability relates to the need for legitimacy which results in the promotion of isomorphic pressures (DiMaggio and Powell, 1983).

### **8.5.1 Coercive pressures and NNGDOs' accountability systems**

In gaining organisational legitimacy, NNGDOs in conformance to institutional pressures have instituted accountability mechanisms by strengthening their governance and administrative systems. Enforcement of accountability mechanisms is exercised through two main coercive forces: government regulations and donor requirements. For government regulations, although the DSW exert some coercive influence over NNGDOs, this is relatively weak in the absence of a regulatory framework. NNGDOs are required by law to follow acceptable practices and standards such as the submission of annual financial statements and reports to the DSW for renewal of certificate of operation. However, many fail to do so because of the weak institutional regulatory capacity of the DSW. Institutions with weaker structures exert limited control over subordinates and this explains why the DSW is not able to properly regulate NNGDOs (DiMaggio and Powell, 1983; Scott, 1995).

Coercive isomorphism occurs when resource providers exert formal and informal pressures on organisations to behave in certain acceptable ways exercised through the imposition of force, persuasion, invitation and co-optation. However, as mentioned previously, the use of force by the DSW is limited. Notwithstanding, there exists some degree of coercive pressures from MMDAs during the registration process. NNGDOs acquire an introductory letter from the MMDAs in which they in turn to operate in addition to a social enquiry report and recommendation by the DSW Officer prior to registration. Before such documents are issued, they have to meet requirements including certificates to commerce business, incorporation and recognition, board members and their ability to pay for registration fees<sup>15</sup>. The empirical findings suggest that although the central government exercises limited coercive pressures on NNGDOs, the role of decentralised local government agencies in promoting coercive pressures cannot be underestimated.

The use of registration requirements reflects regulative element of institutions as suggested by institutionalists (e.g. Scott, 1995). Coercive isomorphism is also manifested through government's ability to influence how NNGDOs mobilise funding and also to close down supposedly non-compliant organisations. However, due to the weak capacity of the DSW, there have been limited attempts to de-register or close down non-compliant NNGDOs. The limited use of coercive pressures is due partly to NNGDOs' low dependence on government resources. Compliance with coercive pressures occurs when dependence and resource criticality are high (DiMaggio and Powell, 1983; Pfeffer and Salancik, 2003). However, given NNGDOs' low dependence on government resources, some are able to flout government regulatory requirements because the degree of legal coercion is perceived as low. This is in line with Oliver's (1991) prediction that when enforcement of regulatory mechanism is weak or applied infrequently, it provides incentives for organisations to resist compliance because the anticipated consequence of non-compliance is minimal. In an interesting contrast, recent studies report of excessive coercive government pressures on NGDOs which is leading to shrinking operational space (e.g. Dupuy et al., 2015; Wood, 2016).

---

<sup>15</sup> The DSW charges US\$1,500 for INGDOs while national, regional and district level NNGDOs pay US\$500, US\$200 and US\$100 respectively as of May 2016.

What might account for differences in findings is the lack of a regulatory environment for the activities of NNGDOs in Ghana and the enjoyment of strong relationship with the government following the adoption of democracy. In relative terms, democratic governments tend to welcome NNGDOs' involvement in development and political processes compared to authoritarian regimes.

NNGDOs' dependence on donors for resources gives them much power to exert coercive pressures by imposing conditionalities and demanding adherence to certain managerial practices. This includes the standardisation of project-based reporting formats, submission of registration certificates, monthly and quarterly review reports and following procurement procedures among many others (Appendix 10 and 11). In enforcing stricter monitoring and reporting of financial requirements, NNGDOs produce receipts of all itemised expenses and transactions. While the implementation of such accountability mechanisms is invariably stringent, some NNGDOs are able to bargain and influence conditions perceived as unattainable and threat to organisational survival. NNGDOs' ability to negotiate and influence donors depends on the degree of resource dependence and other organisational characteristics including reputation and leadership qualities. NNGDOs solely dependent on donors often habit and comply with transparent and accountable reporting systems (Oliver, 1991). The aim is to ensure the continual inflows of resources. In contrast, NNGDOs with diversified funding streams defy donor conditions. This finding complements prior studies of NNGDOs ability to negotiate with donors on their reporting requirements (see Ebrahim, 2003; Wallace et al., 2006). However, it contradicts Awuah-Werekoh's (2015:221) finding that an NNGDO in Ghana was at the "mercy of donors", hence its inability to negotiate or dismiss donor conditionalities for fear of being replaced. While the finding may be valid because it demonstrates NNGDOs' political weakness and dependence, it paints a bleak picture of their inability to exercise agency. Such assertion focuses on constraints by external forces and ignore low-power actors agency which represents a weakness in the mainstream NGDO literature.

#### **8.5.2 Mimetic and normative pressures from compliance**

An unintended consequence of NNGDOs' compliance with donor requirements is the promotion of upward accountability and its associated professionalisation. Donors' onerous reporting requirements involve the use of financial and accounting management software like QuickBooks that helps NNGDOs to manage their internal accounting procedures, budget planning and improve the quality of financial reports to donors. In addition, the use of online application and submission platforms such as PADOR and PROSPECT seek to promote transparency and accountability in the application process and also monitor how project funds are managed. This has resulted in changes in the submission processes where NNGDOs are required to submit comprehensive project proposals involving the use of budget templates (Appendix 11). Donor requirement for transparency and accountability has caused NNGDOs to 'upgrade' their governance systems and structures by hiring more professionals. This is on the basis that having loose organisational structures and systems could result in withdrawal of funding, cutting of existing ties and disqualification from applying for future funding. Improvement in organisational governance system is symbolically used in maintaining legitimacy. This has become necessary because of the absence of good management practices which in the past resulted in the mismanagement of donor funds.

Another mechanism for promoting professionalisation is the use of development consultants in the writing of grant proposals. They have become an impression creating strategy because they bring 'external blessings' through professional legitimacy. This is due to their ability to assure donor confidence through ceremonial conformity which helps NNGDOs' governance and reporting systems from being questioned (Meyer and Rowan, 1977; Suchman, 1995). Nonetheless, it raises concerns about the implications of the increasing use of consultants. It leads to the neglect of NNGDOs' own human resource development. Development consultants promote mimetic and normative isomorphism among NNGDOs.

Mimetic isomorphism occurs when NNGDOs incorporate institutionalised best practices and procedures from other organisations (e.g. hiring consultants) within their institutional fields. For example, many small and medium-sized NNGDOs faced with capacity challenges and uncertainty of securing donor funding imitate successful NNGDOs by using consultants who have secured funding in writing their grant proposals. Imitation has become the norm and illustrates how the emphasis on consultants is fuelling the promotion of homogenisation of institutional fields. For instance, the majority of NNGDO leaders reported that “money-making consultants” only do “cut and paste job” where they tweak proposals of NNGDOs because of template-based applications which results in accusations of stolen project ideas. Consultants therefore promote mimetic isomorphism among NNGDOs.

In addition, they reinforce normative pressures by serving as knowledge brokers between NNGDOs and donors. This is informed by their ability to properly communicate, write, speak and understand donor jargon. Normative isomorphism influences the language used by consultants because of their shared norms and beliefs acquired through their education and experience. Based on expert knowledge, they act as boundary spanners who help NNGDOs to negotiate challenges associated with complex donor application processes. Normative isomorphism is reinforced through trainings, workshops and conferences organised by donors and consultants during project implementation. As part of donors’ sustainability rhetoric, organising training programmes and workshops on proposal writing has become a taken-for-granted norm, hence promoting normative isomorphism. From a donor perspective, the extent to which an NNGDO becomes professionalised is an indicator of its perceived technical and organisational capacity. Such normative assumptions tend to favour well-established NNGDOs to the neglect of small NNGDOs.

Aside from development consultants, donors’ emphasis on performance-based payment and payment-by-results through external verification agencies put normative pressures on NNGDOs. The study’s findings show that NNGDOs are expected to undertake their programmes and activities based on standardised guidelines set by external verification agencies. They claim to provide an ‘objective and reliable’ assessment of project outcomes through ‘arms-length facilitation’ based on their specialised knowledge and expert advice. The rationale is to exercise control over their area of expertise. This indicates that although professional associations do not have the coercive powers of the state, they shape and influence organisational behaviour through the imposition of ‘soft rules’ derived from the support and power granted them by donors (DiMaggio and Powell, 1983; Oliver, 1991). In this regard, NNGDOs seek endorsement of professional agencies to generate legitimacy. In this respect, they play an important role in NNGDOs’ internal decision-making processes as they transmit donor perspectives into NNGDOs’ daily operations. In promoting corporate-governance and operational management principles, NNGDOs use auditing and accounting firms as part of donors’ auditing culture. This reinforces what I call ‘straight-jacket managerialism’ where they are compelled to follow a predetermined auditing format. The homogenising tendency is part of the wider aid architecture that relies mostly on prototypes. Design of standard auditing templates put mimetic pressures on NNGDOs as they become similar in their reporting.

## **8.6 Strategic planning**

As part of their rationalisation processes, NNGDOs have adopted strategic planning and restructuring of organisational performance as strategies for dealing with uncertainty. By doing so, the aim is to promote efficiency and effectiveness in their operations. The empirical findings suggest that in periods of resource abundance, NNGDOs ignore discussion of strategic planning in decision-making and management processes. In addition, they are ill-prepared for strategic planning. However, on-going uncertainty in their operating environment is compelling them to engage in rational management in resource allocation and usage to ensure sustainability through organisational change.

As the empirical findings demonstrate, organisational change is driven by external forces which require NNGDOs to adapt to their changing environments. However, adaptation can be exciting but also terrifying because managing successful organisational change depends on key characteristics including leadership and management. For NNGDOs, strategic planning is both a management and leadership tool. Against this backdrop, effective implementation of strategic planning depends on leadership capacity and coordination between staff. Organisational leadership capacity is crucial in overcoming managerial challenges.

Strategic planning is not a rational decision-making process because it involves coordination and negotiation between leadership and staff. Since NNGDOs operate in open and complex environments, it creates bounded rationality in decision-making processes due to lack of knowledge about alternative decisions (Pfeffer and Salancik, 2003). Rational decision-making for strategy formulation remains limited because of bounded rationality which creates effect uncertainty (Milliken, 1987). It therefore requires interaction and learning from stakeholders including NNGDOs staff due to the 'wisdom of the crowd mentality'. In this regard, strategic planning involves team-decision making (top-down and bottom-up elements where the views of all employees are consulted). This promotes decentralisation of decision-making through delegation of responsibility which ensures downward inflow of power in decision-making processes. However, the extent of decentralisation is context specific and depends on leadership style. In most NNGDOs, although consultation of staff and organisational strategising is more inclusive, identification of strategic priorities is left to senior management. Nonetheless, a shared understanding of organisational culture among staff and board minimises potential tensions. Strategic planning creates space for superiors and subordinates to discuss and deliberate reasons for their existence and in doing so, ensures better communication and teamwork. Organisational culture also helps in managing tensions through iterative process of negotiation among employees and reflects the argument that institutions are created through shared and collective understanding of acceptable norms (Scott, 1995; Garud et al., 2007).

An aspect of rationalisation relates to leadership succession. Clearly, NNGDOs are faced with management and leadership deficit because the operations of many revolve around one charismatic leader. Leadership transition management and succession planning although is important for organisational sustainability, there is little awareness and its implementation is poorly understood. This raises questions about NNGDOs' organisational change and culture. Quite instructively, uncertainty in projectised funding and contract hiring make it difficult for NNGDOs to engage in dialogue with younger professionals to be mentored because of insecure employment conditions. Lack of mentorship is also fuelled by the practice where succession revolves around family members rather than grooming and identifying employees as successors. This is due to the highly` personalised nature of most small NNGDOs and the difficulty of separating family involvement in organisational management. Family involvement in NNGDOs presents a challenge for organisational leaders because succession largely occurs infrequently. This study finds limited evidence to suggest that NNGDO leaders are planning to resign, retire or leave their organisations (i.e. executive turnover) partly because many small NNGDOs are managed as 'sole proprietorship and family business'. NNGDO leaders would want to protect their interests which make retirement and succession infrequent. Thus, the presence of charismatic leaders hinders the emergence and development of succession planning.

I acknowledge that leadership succession in NNGDOs is organisation specific. However, the empirical findings indicate that familial succession and internal successors are the dominant form of succession planning practised. In this type of succession, 'insiders' who are family members or close allies of the founders are likely to serve as replacement in their absence. In this regard, familial succession is based on relational contracts and requires balancing family and organisational priorities. This research finds that although insider succession takes the form of internal promotion, final decision for replacement depends

mostly on family members who are part of the board of directors. They play roles in planning and recruiting potential leaders in the succession processes. The aim is to maintain family organisational culture. Involvement of insiders in succession planning ensures transmission and continuity of organisational values which is crucial for building credibility and legitimacy. Moreover, they help in maintaining social capital developed between the founders and their stakeholders. Nonetheless, too much family involvement is detrimental for effective leadership, innovations and creates tensions for organisational credibility and legitimacy. The empirical finding is in line with the argument that most small NNGDOs in countries like India have high family involvement in their leadership and governance structures (Jakimow, 2011; Harrison, 2017).

Although inside succession is the most preferred form of executive succession reported by NNGDOs, the lack of resources to groom potential successors is a prominent concern. For instance, only two NNGDOs have the position of a deputy executive director, an indication of the absence of an internal successor to the founder. Consequently, this has dire implications when there is an abrupt departure. This is also not to suggest that the presence of deputies guarantees automatic succession. In the event of sudden departure, the dominant form of informal emergency succession planning strategy is the appointment of interim executive directors. However, emergency succession planning is shrouded in secrecy where NNGDOs leaders are unwilling to speak openly about their succession.

The study's finding is consistent with Pfeffer and Salancik's (2003) argument that one internal strategy for dealing with uncertainty and dependency is executive succession. They maintain that administrators controlling organisations influence their structures, operations and practices. In this regard, when leaders are not performing, replacement becomes an inevitable survival strategy. Replacement of executives is likely to occur when incumbents' power is relatively weak. However, it is difficult to replace NNGDOs' leaders mainly because of the centrality of the founder. This makes it challenging for them to 'let go' in order to see leadership changes. They tend to promote their own personality and values in the day-to-day management of the organisation, hence creating difficulty for their values to be passed to 'outsiders'. Founders' syndrome is an important barrier to leadership succession. The empirical evidence demonstrates that founders' syndrome is not restricted to younger and smaller organisations as highlighted in the literature (see Block and Rosenberg, 2002).

The analysis highlights that both neo-institutional theory and Oliver's typology fail to sufficiently provide an explanation of the underlying factors driving organisational change and how NNGDOs adapt to such changes. In particular, neo-institutional focuses on stability through conformance to institutional pressures rather than organisational change. On the other hand, while resource dependency theory highlights the role played by organisational leadership in managing uncertainty, it is relatively silent on strategic planning. In doing so, the existing theories fail to account for all the strategies employed by NNGDOs in ensuring their short-term survival and long-term sustainability. In the following section, I analyse NNGDOs' avoidance and influencing strategies in order to demonstrate how NNGDOs exert relatively higher levels of agency when confronted with conflicting demands in their operational environment.

### **8.7 Avoidance strategies**

Avoidance involves the use of two main tactics: i) outright donor rejection; and ii) suspension of relationship. Avoidance is mostly used by NNGDOs confronted with incompatible demands and dissatisfaction with existing relationships. NNGDOs using outright rejection are more selective in their choice of donors by accepting funding from those with goal congruence and whose demands are not burdensome. Outright rejection is possible because of the availability of multiple donors which results in low resource concentration. When dependency is moderate, NNGDOs use avoidance strategies to prevent exposure to donor demands (Oliver, 1991).

While acknowledging that avoidance is determined by the degree of resource dependence, its applicability is context specific. As the empirical findings indicate, although NNGDOs are highly dependent on donor resources, they reject their funding based on value incompatibility. In this vein, maintaining organisational legitimacy with intended beneficiaries rather than donors is a key driver of avoidance. This finding calls into question the assumption that NNGDOs' legitimacy depends largely on the extent to which donors perceive them. For NNGDOs practising avoidance, legitimacy is equated to their ability to stick to their organisational principles and values without compromising it for donor resources. For this reason, they employ outright rejection when generating internal and moral legitimacy. In fact, since NNGDOs are located in an institutional environment, they strive to maintain legitimacy by conforming to institutional norms and external expectations (Meyer and Rowan, 1977; Oliver, 1990; Suchman, 1995).

NNGDOs seldomly use rejection when efforts to negotiate, persuade and balance donor demands fail. Outright rejection becomes the last resort. By engaging in processes of negotiation, persuasion and balancing, NNGDOs seek to buy time to look for alternative resources and put in place strategies for mitigating potential consequences. This approach is similar to Pfeffer and Salancik's (2003) idea of sequential attention. Implicitly, NNGDOs do not make a hasty decision when using outright rejection. It involves deliberative organisational decision-making processes where the positives and negatives of rejection are weighed before a final decision is taken. If expected costs outweigh benefits to organisational long-term survival, then NNGDOs reject the funding because of commitments to organisational values. While NNGDOs reject donors, its application to intended beneficiaries is limited because of the need for legitimacy derived from claims of representation. Since NNGDOs' existence depends on their representation of intended beneficiaries, it is impossible to reject them because they use claims of representation in seeking organisational legitimacy. Avoidance is not applicable to intended beneficiaries because it is impossible for NNGDOs to conceal and decouple their actions from public scrutiny since they live and work with the same constituents. Against this backdrop, they seek to cultivate good public image to prevent their actions and claims of representation from being questioned. It is plausible to argue that outright donor rejection is somewhat a reactive tactic and demonstrates high exertion of agency. At the initial stages, NNGDOs act as rational actors in accommodating donor interests. The empirical findings reveal that it is possible for an NNGDO to practice outright rejection with one donor, while acquiescing to the demands of another depending on the nature of their relationship, the extent of the demand and type of resources exchanged.

Aside from outright donor rejection, NNGDOs suspend existing relationships with donors. By doing so, they complain by indicating their dissatisfaction to donors. After complaining, they negotiate to resolve their differences. However, if such negotiations fail, the available option is to suspend the relationship. In other words, a normal suspension tactic moves along a continuum: complain → negotiation → suspension. Negotiation helps NNGDOs and donors to address their differences. For example, although some NNGDOs reported being dissatisfied with donors, the need for resources compels them to come to the negotiating table. While negotiation may be an ideal strategy, some NNGDOs do not have the luxury of time to go through such gradual processes but might decide to directly suspend their relationship. Direct suspension occurs when: i) donors question NNGDOs' action; ii) concealment is detected; and iii) a donor deliberately terminates a contract because of non-performance. In instances where concealment is detected, NNGDOs suspend their relationship as a face-saving strategy. In doing so, they seek to protect their already damaged reputation as a way of regaining loss of legitimacy (Meyer and Rowan, 1977; Suchman, 1995). Suspension allows NNGDOs to be reintegrated back into their institutional environment. This can be considered a manipulation strategy of shaping values aimed at influencing the perception of stakeholders (Oliver, 1991). In the following section, I analyse and discuss how NNGDOs influence stakeholders within their operating environment based on informality and personal connections.

The aim here is to highlight the role of informal networks, connections and personal contacts as part of NNGDOs strategic options for managing uncertainty.

### **8.8 Influencing strategies**

Influencing strategies are aimed at shaping the agenda of donors and other stakeholders. The rationale is to alter their institutional environment in order to make it more adaptable (Pfeffer and Salancik, 2003). In doing so, NNGDOs employ a combination of tactics ranging from compromise to manipulation. These tactics indicate that NNGDOs exercise a higher degree of agency by moving from passivity to active resistance of institutional pressures (Oliver, 1991). Influencing is both an active and passive strategy in the sense that by negotiating, NNGDOs become 'active recipients' while succumbing to donor demands as 'passive recipients'. However, this does not imply loss of agency but rather an opportunistic act to further their survival interest because they act as rational and active agents. A common compromise tactic is bargain where NNGDOs negotiate with donors and other stakeholders about unfavourable conditions and policies that threaten their survival. This is influenced by existing resource interdependency.

Pfeffer and Salancik (2003) and Oliver (1991) argue that interdependency results in high interconnectedness between organisations. In such contexts, organisations employ less active strategies of acquiesce and compromise. For this reason, given the high interdependency between NNGDOs and donors, reaching a consensus on unachievable project targets is easier. However, the ability to negotiate depends on key organisational characteristics such as leadership style and reputation. Organisational reputation is a key determinant of its authority and ability to influence actors within its environment. This resonates with resource dependency and institutional arguments that resources exist in both tangible and intangible forms (Suchman, 1995; Pfeffer and Salancik, 2003). Unlike Elbers and Arts (2011) who found in Ghana that the use of influencing strategy is limited to well-established NNGDOs, this study's finding indicates that influencing is used irrespective of organisational size. Small NNGDOs are able to influence unfavourable donor conditions because of intra-organisational dynamics including leadership and the extent of one's personal connections. NNGDO leaders act as 'boundary spanners' who forged personal relations with donor representatives. They use their personal networks and connections to influence donor and government officials by "going behind to cut corners" and in many instances engage them personally to discuss ground level realities.

I contend that since most donor representatives and government officials have Ghanaian social identities and are embedded in relations of 'family and friends', it is difficult for them to escape the local cultures within which they are situated which resolves mostly around informality. The findings question the assumptions of a formalised patron-client relationship between NNGDOs and donors by indicating that their relationship is sometimes framed around informal networks and personal contacts. Similar finding has been reported in the literature about how NNGDOs in Ghana use their personal networks when engaging with government officials (Alikhan et al., 2007). This points to the need to look beyond formal requirements and processes in discussion of NNGDO-donor relations. NNGDOs' ability to influence donor and government officials is determined by the extent to which their leaders are perceived as 'big men' and 'well-connected'. The use of personal connections within the NNGDO sector is a normal practice for circumventing complex processes. They are essential resources for NNGDO leaders but the study finds no evidence to suggest that personal connections are used for engaging in corrupt practices that damages organisational reputation. Thus, there is limited use of co-optation tactics by NNGDOs as they tried to manipulate their environment. This is in contrast to the argument by Oliver (1991) and Pfeffer and Salancik (2003) that organisations could manipulate their external environment by co-opting the source of institutional pressures and uncertainty.

Although it is possible for NNGDOs to co-opt donor and government officials through the appointments on NNGDOs' board, there is limited evidence from this research to back such claims. This is also not to deny that co-optation is not employed by NNGDOs.

In terms of specific manipulative practices, NNGDOs explain and educate donor and government officials to understand ground level difficulties associated with the implementation of projects. In doing so, they dwell on their field level experience and achievements through evidence-based advocacy to make persuasive arguments. However, its success depends on positive trust developed with stakeholders over time. In addition, the national identities of donor representatives who served as 'national development experts' played a role in allowing for the use of influencing strategies because it helps to better understand the conditions within which NNGDOs operate. Oliver (1991) hypothesised that in a resource-constrained environment, organisations employ acquiescence because of their dependence. However, findings from this study indicate that, even in context of high dependency, NNGDOs are proactive in using active strategy of manipulation to ensure organisational survival. This finding questions and exposes limitations associated with Oliver's (1991) typology in explaining the diverse strategies employed by NNGDOs. NIT and RDT are silent on the discussion of personal connections and the role they play in NNGDOs' survival strategies. In short, the findings presented in this chapter raises questions about the way in which NNGDOs' survival and sustainability in a resource-constrained is framed in the existing literature because of their narrow focus on institutional control rather than the broad range of strategies available to NNGDOs in managing organisational change.

## **8.9 Conclusion**

This chapter has provided a detailed analysis and discussion of the strategies developed by NNGDOs and their leaders in responding to uncertainty in their operating environment. The analysis and discussion of the findings have been informed by the literature on NNGDOs' management and strategic options and the theoretical frameworks developed which drew insights from RDT, NIT and Oliver's typology of strategic responses. This chapter has clearly demonstrated that although NNGDOs are constrained in their institutional and resource-dependent environment, they actively engage in devising active strategies, categorised into: i) resource diversification; ii) networking and partnerships; iii) cost recovery; iv) branding and visibility; v) conformance to institutional pressures; vi) strategic planning; vii) avoidance; and viii) influencing that guarantees their autonomy, independence and long-term sustainability.

The chapter has clearly demonstrated that the ability of NNGDOs to pursue new strategies is influenced by their external environment. In particular, it highlights that while NNGDOs are seeking alternative resources in their external environment, its potential for ensuring their sustainability remains limited. In addition, the chapter has argued that although donors seem to be spearheading the NNGDOs' sustainability discourse, they are not proactive in helping NNGDOs to develop strategies for reducing their resource dependency. This demonstrates the difficulty faced by NNGDOs in their attempt to circumvent uncertainty in their operating environment. The chapter has highlighted the centrality of NNGDOs' agency, despite dependency. The findings in this chapter point to some broader conclusions and implications about NNGDOs' strategic responses for ensuring their sustainability which will be discussed in the next chapter.



## **Chapter Nine: Conclusion**

### **9.0 Introduction**

This thesis has explored how national non-governmental development organisations (NNGDOs) in Ghana respond to on-going changes and uncertainty in their operating environment. Sources of uncertainty include shifts in donor funding modalities and priorities, Ghana's transition to lower-middle-income status and the subsequent decline in external funding. This thesis sought to understand how NNGDOs reacted to protect their long-term sustainability. This research has demonstrated that although NNGDOs are constrained by resource dependence and institutional pressures in their external environment, they are active agents, deploying a wide range of strategies to ensure their long-term sustainability.

In particular, this research has demonstrated that NNGDOs' pursuit of donor resources is a strategic choice: NNGDOs are willing to accept dependency on donor resources as long as it furthers their quest for survival. The exercise of dependency and agency at the same time leads to what I call a 'dependent agency' situation where NNGDOs subjugate themselves to structures within their operating environment as a mechanism for survival. In doing so, they strategically sacrifice their autonomy and independence in exchange for donor resources. NNGDOs' dependent agency is akin to the idea of Faustian bargain where the poor becomes loyal to exploitative institutions and organisations to ensure their present survival no matter the long-term cost (Wood, 2003:468). This research has demonstrated that by becoming dependent agents, NNGDOs trade their autonomy in meeting their survival needs which implies an affirmation of dependency. However, I have argued that being a dependent agent does not imply NNGDOs are without agency. Rather, they opportunistically choose to be dependent in exchange for enhanced survival prospects. In this regard, by choosing to become dependent, NNGDOs exercised agency because their leaders were fully aware of their actions and its long-term implications. For this reason, I highlight that dependency does not preclude the exercise of agency especially when NNGDOs are able to make strategic choices in their operating environment. By highlighting the 'dependent agency' characteristics of NNGDOs, this thesis aims to be a corrective to the wider NGDO literature that conflates dependency with lack of proactivity. In an ever-changing and uncertain operating environment like Ghana, choosing to become dependent is an active strategy for survival. NNGDOs' decision to become dependent agents is more complex than it is often assumed.

The chapter is structured into five sections. First, it presents an overview of the research. This is followed by a summary of answers to the research questions. Section 9.3 sets out the original theoretical, empirical and methodological contributions of this research, and is followed by a discussion of the research limitations. An agenda for further research is discussed in the last section.

### **9.1 Overview of the research**

This research adopts a critical realist ontology and relies on a mixed methods sequential explanatory design to understand NNGDOs' strategic responses to uncertainty. In chapter one, I proposed two interrelated questions for understanding how NNGDOs react to uncertainty in their external environment:

- a) What different ideas and strategies have NNGDOs in Ghana developed in response to the changing opportunities and constraints arising from their uncertain external environment?
- b) To what extent do resource dependency theory, neo-institutional theory and Oliver's typology of strategic responses explain NNGDOs' dependency in Ghana?

In chapter two, I examined the operating environment of NGDOs by focusing specifically on their conceptualisation and evolution within the global aid ecosystem. The next chapter presented and reviewed three frameworks for understanding NNGDOs' strategic behaviour: RDT, NIT and Oliver's typology of strategic responses. These frameworks were used in analysing my empirical findings. Chapter four then focused on the approach and the methods used in collecting and analysing the research data. I then presented empirical findings, starting with the context within which the study is situated. It also provided background information about the sampled NNGDOs. In chapter six, I presented the empirical findings on diversification as a dominant strategy employed by NNGDOs, while chapter seven explored other strategies for responding to uncertainty. In chapter eight, I analysed and discussed the findings from the empirical chapters through the lens of the three theoretical frameworks.

## 9.2 Summary of research findings

This section summarises the main findings of this research in order to address research questions outlined in chapter one.

### 9.2.1 What different ideas and strategies have NNGDOs in Ghana developed in response to the changing opportunities and constraints arising from their uncertain external environment?

My analysis suggests that NNGDOs and their leaders in Ghana have developed eight main strategies and nineteen tactics in response to their changing external environment to secure their short-term survival and long-term sustainability. Table 9.1 summarises the ideas and strategies developed by NNGDOs and how widely respondents referred to them as part of their response to uncertainty in their operating environment.

**Table 9.1** Summary of NNGDOs' strategic responses and their prevalence

Strategy	Prevalence <sup>16</sup>	Section
<b>1. Diversification</b>		
1.1 Commercialisation	25	6.1
1.2 Domestic resource mobilisation	19	6.2
1.3 Thematic diversification	20	6.4.1
1.4 Operational diversification	7	6.4.2
1.5 Locational diversification	23	6.4.3
<b>2. Networking and Partnership</b>		
2.1 Consortia	17	7.2.1
2.2 Network and coalitions	29	7.2.3
<b>3. Cost Recovery</b>		
3.1 Operating reserves	23	7.3.1
3.2 Building and moving office space	14	7.3.2
3.3 Downsizing staff and operations	23	7.3.3
3.4 Restructuring of operations	12	7.3.3

<sup>16</sup> Prevalence here refers to the number of times the strategies were discussed and coded across interviews about a sample of 32 NNGDOs. It enumerates the number of NNGDOs that were described as having in one way or the other implemented each strategy.

<b>4. Branding and Visibility</b>		
4.1 NNGDO-media engagement	22	7.4
<b>5. Conformance to institutional pressures</b>		
5.1 Strengthening governance systems	30	7.5
<b>6. Strategic planning</b>		
6.1 Strategic plans and policies	25	7.6
6.2 Succession planning	9	7.6
<b>7. Avoidance strategies</b>		
7.1 Outright rejection	8	7.7
7.2 Suspension of relationship	12	7.7
<b>8. Influencing strategies</b>		
8.1 Negotiating	14	7.8
8.2 Interpersonal relations	26	7.8

**Source:** Authors' construct 2017

The analysis in this thesis has highlighted that some strategies are potentially more transformative in promoting NNGDOs' short-term survival and longer-term sustainability than others. In particular, I have shown that while resource diversification in commercialisation is the most prevalent strategy, its potential for guaranteeing NNGDOs' financial autonomy remains limited. This is because many NNGDOs' commercial initiatives are in their experimentation stages. In addition, the analysis has demonstrated that self-financing activities are associated with high revenue volatility especially in contexts where NNGDOs depend on donor resources as start-up capital. This research has questioned the assumption prevalent in wider mainstream literature that self-financing activities guarantee organisational autonomy and reduces revenue volatility among NNGDOs.

This thesis further highlights the prevalence of thematic and locational diversification among NNGDOs. The analysis suggests that NNGDOs engage in these strategies because they are perceived as the most viable options for ensuring their short-term survival by becoming dependent on donor resources. As the analysis demonstrates, while dependency might not be a potentially transformative strategy in the short-term, it often remains the best or least worst option for ensuring NNGDOs' survival long-enough to maintain organisational autonomy and independence, and hence long-term sustainability prospects also. Although the mobilisation of domestic resources is more potentially transformative in ensuring the long-term sustainability of NNGDOs, it is also highly risky, and has been given relatively little attention by NNGDOs. This is an indication that while NNGDOs act as rational and active agents in pursuing their sustainability, donors' emphasis on achieving short-term results rather than investment in long-term sustainability compels them to make active choices by being dependent on donor resources. However, this does not imply NNGDOs' passivity in their dependency.

The evidence collected indicates that the implementation of strategies varied widely among NNGDOs. It highlights that joining wider networks and coalitions at the national level was perceived by most to be potentially more transformative in ensuring their sustainability. However, I have contended that inter-organisational cooperation did not occur through self-organisation or NNGDOs' own deliberate initiative but rather it was a product of their reaction to external donor pressures. In doing so, I have shown the extent to which donor funding modalities has reconstructed NNGDOs' organisational field. Given that inter-organisational cooperation is often not NNGDOs' own initiative but rather donor driven, relationships are often episodic, superficial and dependent on donor funding. The empirical evidence demonstrates that although NNGDOs are structurally dependent on donor resources for survival, they are more proactive in strategising their dependency. NNGDOs' dependency is an opportunistic strategy that ensures their survival. Dependency creates opportunity for NNGDOs to engage in ingenious practices by

manipulating existing donor financial accountability systems to their advantage. This helps them to create reserves in order to operate in periods of uncertainty.

In concluding on the first research question, this thesis has shown that although NNGDOs are faced with uncertainty in their operating environment, they are active agents who are full of ideas and constantly formulating new strategies for ensuring their survival. However, some strategies tend to be potentially more transformative than others. In addition, implementation of the broad range of strategies at NNGDOs' disposal is variable and dependent on contextual factors. In this regard, NNGDOs focus largely on the implementation of potentially less transformative strategies to ensure their short-term survival, even to the neglect of strategies that might enhance long-term sustainability prospects.

### **9.2.2 To what extent do resource dependency theory, neo-institutional theory and Oliver's typology explain NNGDOs' dependency in Ghana?**

In answering this question, the aim is to understand the extent to which RDT, NIT and Oliver's typology of strategic responses explain NNGDOs' organisational behaviour in dealing with uncertainty in their external environment. It focuses on evaluating the usefulness of the theoretical frameworks in explaining the ideas and strategies employed by NNGDOs.

#### ***To what extent does resource dependency theory (RDT) explain NNGDOs' dependency?***

The research has demonstrated that NNGDOs' external environment directly influences their strategic responses for dealing with uncertainty. In particular, RDT highlights NNGDOs' dependence on stakeholders for critical resources. While the acquisition of resources bolsters survival chances, it exposes NNGDOs to external control. As the research has demonstrated in chapters five to seven, donors keep changing their funding priorities and modalities. In addition, domestic resource mobilisation remains limited in scope and unpredictable. Although RDT suggests that organisations engage in mergers and acquisitions to increase their dominance and power, the evidence gathered indicates that its applicability to small and medium-sized NNGDOs is limited because of their highly personalised nature and the difficulty of separating family businesses from organisational structures.

This research has argued that RDT is useful for understanding power imbalance between INGDOs and NNGDOs in mobilising corporate funding and their engagement in consortia. The power imbalance is not limited to NNGDO-donor relations but also important within networks and coalitions where large NNGDOs due to their access to critical resources control small NNGDOs. The power imbalance is fuelled by donors' policies that tend to sideline small NNGDOs with perceived capacity challenges. This is due to donors' appetite for results where development management is framed through a technocratic lens. Moreover, power imbalance in resource exchange allows donors to exert a high influence over NNGDOs. However, this is not to suggest that NNGDOs are without agency. NNGDOs use compliance as a mechanism for accessing donor resources, and this is determined by the degree of dependence and availability of alternative resources. For example, NNGDOs in operational diversification dismissed donor demands for adding new programmes to their existing programme portfolios due to their low dependence. Moreover, avoidance is used because of their limited dependence on donor resources. From the perspective of RDT, it is plausible to suggest that NNGDOs employ influencing strategies to manipulate the external environment to their advantage.

While the observations made in this research have resonance with RDT, it fails to account for the underlying factors that drive NNGDOs to adopt specific strategies. For example, this research has highlighted the importance of organisational leadership in the adoption of strategic responses through the forging of relationships with stakeholders in securing resources (e.g. funding, information, seeking support of intended beneficiaries and using personal brands to create reputation and legitimacy).

In sum, although RDT helps in explaining NNGDOs' dependency, it does not offer a framework for understanding the underlying reasons that drive NNGDOs to employ different strategies in their external environment.

***To what extent does neo-institutional theory (NIT) explain NNGDOs' dependency?***

The research has shown that NNGDOs' dependency is influenced by coercive, normative and mimetic pressures in their institutional environment. It has revealed that donors and government agencies exercise coercive pressures in demanding accountability and transparency from NNGDOs. However, the Government of Ghana exercises limited coercive pressures on NNGDOs due to the weak capacity of the DSW and the absence of a regulatory framework. The government's limited use of coercive pressure is due to NNGDOs' low resource dependence. While networks and coalitions play important roles in NNGDOs' operating environment, I have argued that they exercise limited coercive pressures on members due to their weak self-regulatory mechanisms. Although they have power of influencing funding opportunities for members especially when they are channelled through the secretariats, this did not imply the use of coercion.

Given NNGDOs' high dependence on donor resources, they exert a high degree of coercive pressure, exercised through informal and formal mechanisms linked to their funding requirements (e.g. counterpart funding, consortia and renewal of year-on-year certificates). In addition, donors exercise coercive pressures by demanding disclosure reports (e.g. submission of financial statements, interim and annual reports), performance evaluations (project, narrative and evaluation reports) and the strengthening of organisational governance and accountability structures as a condition for further funding. This is part of wider donor control over NNGDOs aimed at ensuring resource effectiveness and efficiency in order to achieve needed project results. NNGDOs tactically adhere to these coercive pressures due to their resource dependence because failure to comply with accountability requirements is detrimental to organisational survival. On the other hand, stronger NNGDOs, less dependent on one or a few donors are able to dismiss and negotiate the imposition of coercive pressures.

Directly related to the above is donors' ability to impose normative pressures on NNGDOs through professionalisation aimed at strengthening NNGDOs' governance structures. As the research findings demonstrate, consultants and professional bodies put normative pressures on NNGDOs through the rhetoric of capacity building. Aside from this, the media subtly exercises normative pressures by ensuring NNGDOs' accountability to stakeholders, because conforming to normative pressures from the media and general public is necessary to protect their credibility and legitimacy. Normative pressures also explain why NNGDOs give attention to their branding and visibility. However, the extent of this influence in promoting NNGDOs' downward accountability remains limited.

An unintended consequence of coercive and normative pressures is NNGDOs' mimicry behaviour. This research has argued that mimetic isomorphism is driven by donors' coercive pressures rather than uncertainty. For instance, consultants employed by donors to evaluate NNGDOs focus on standardised reporting formats while donor funding applications require NNGDOs to adhere to prescribed templates. In addition, NNGDOs mimic their counterparts by employing consultants in writing funding applications. As discussed in chapter six, donor funding requirements for counterpart funding has also led NNGDOs to mimic their peers in generating self-income. This thesis has again demonstrated that NNGDOs' networks and coalitions act as an important mechanism for mimicking peers as members with perceived organisational capacity nurture their weak counterparts through best practices and benchmarking at the request of donors. I have argued that while network leaders have the power to initiate processes for benchmarking, their motivation is borne out of external donor pressures because of the need for structural

legitimacy. Benchmarking helps them to develop and protect their internal structures and corporate reputation from damage which increases their competitiveness in resource acquisition.

In sum, NIT provides insight into how NNGDOs' institutional environment influences their strategic behaviour. It helps in understanding how and why the need for resources including organisational legitimacy compels NNGDOs to adhere to donors' coercive and normative pressures. It also explains the mimicking behaviour of NNGDOs. However, this research highlights that NNGDOs mimic their peers not because of uncertainty in their operating environment but in response to coercive pressures exerted by donors. To this end, mimicking becomes a legitimisation tactic in response to donor demands. Moreover, neo-institutional theory fails to provide an explanation of other strategies, such as the use of volunteers, creation of reserves, strategic planning and influencing.

#### ***How useful is Oliver's typology in understanding NNGDOs' dependency?***

The research has argued that Oliver's typology is useful for explaining NNGDOs' strategic responses to some extent. In particular, it highlights the use of acquiescence, compromise, defiance, avoidance and manipulation strategies by NNGDOs. NNGDOs acquiesce by complying with donor pressures to raise counterpart funding through self-financing. In doing so, they imitate peers within their external environment. I also introduced the idea of integration to explain how hybrid NNGDOs combine social and commercial missions together in dealing with institutional complexity arising from different institutional logics. Moreover, compromise and its associated tactics of pacifying and balancing are used in understanding how NNGDOs engage community volunteers and manage tensions associated with the mobilisation of domestic resources and mission change.

This study further revealed that institutional and resource pressures compel NNGDOs to engage in avoidance strategies in safeguarding organisational values and principles. As analysed in chapter eight, I introduced outright rejection and suspension of relationships as avoidance tactics. I argued that outright donor rejection is used as last resort when efforts to negotiate, persuade and balance differences fail and its application is limited to donors rather than intended beneficiaries. On the other hand, suspension of relationship occurs when NNGDOs become dissatisfied with their engagement with donors. Suspension tactic moves along a continuum from complain-to-negotiation-to suspension. The study further highlights NNGDOs' use of subtle resistance through concealment of financial information in creating reserves. In doing so, I have argued that the distinction between concealment and buffering tactics proposed by Oliver is blurred because when NNGDOs engaged in concealment, they decouple/buffer their practices through 'window dressing'. It also highlights the unintended effects of donors' coercive pressures on NNGDOs' management systems. NNGDOs manipulate their external environment by influencing stakeholder perception to gain resources.

While RDT, NIT and Oliver's typology offer insights, none of them provides a complete and coherent understanding of NNGDOs' strategic behaviour and responses. While useful in explaining NNGDOs' dependency, they fail to explain strategic planning and cost-recovery strategies identified in this research, for example. This thesis therefore points towards scope for both integrating and extending the insights they provide into a more comprehensive theoretical framework.

### **9.3 Research contributions to knowledge**

#### **9.3.1 Theoretical contributions**

While RDT, NIT and Oliver's typology have been used to study NGOs, this is the first comprehensive research to draw insights from all three theories in explaining NNGDOs' strategic behaviour and responses. Theoretically, this research contributes to the NGO literature by moving away from the structuralist focus on NNGDOs' external environment to combine this with a fuller analysis of their agency and its determinants. In doing so, the integration of RDT, NIT and Oliver's typology has provided a perspective for understanding the structural processes that constrain NGOs, and also how they in turn use agency to circumvent such processes to secure short-term survival and long-term sustainability.

This research has shown the interrelations between NNGDOs' dependency and agency. For instance, donors' increasing demand for results-based management represents a structural constraint on NNGDOs, it has also fostered an avenue for proactive response in the form of concealment of funds from donor projects. On the other hand, the exercise of agency through operational diversification, branding and visibility and donor influencing entail succumbing in part to structural forces of dependency. This study offers important theoretical insights into NNGDOs' organisational behaviour by arguing that although they are embedded within deep institutional and resource dependency structures, they are not without agency. While the research has demonstrated the usefulness of applying RDT, NIT and Oliver's typology together to the study of NNGDOs, it also reveals that none of the theories fully capture and explain all the strategies employed by NNGDOs in this research. In particular, I have expanded Oliver's typology by adding tactics of integration, rejection and suspension of relationships as avoidance strategies. Moreover, while Oliver's typology has been used to study organisational behaviour in management studies and non-profit organisations, it has narrowly focused on NGOs' accountability and relationship with donors to the neglect of their wider external and internal environments. This research has used Oliver's typology to understand NNGDOs' survival and sustainability from an open-system perspective by examining the broad range of strategies available at their disposal. In doing so, it contributes to the literature on organisational theory by testing its applicability in understanding NNGDOs' strategic behaviour. In this regard, I have argued that Oliver's typology does not provide a complete understanding of strategies at the disposal of NNGDOs when confronted with uncertainty because it narrowly focuses on institutional processes. Theoretically, I have shown that the applicability of Oliver's typology to understanding NNGDOs' organisational behaviour in their external environment remains limited because it is static and does not take into account how NNGDOs respond to changes in their environment through their own internal structures and processes.

For RDT, its application has helped in understanding how NNGDOs mobilise resources in their external environment to ensure their survival. It also explains the effect of NNGDOs' resource dependence in exposing them to vulnerability, control and power imbalance. Moreover, RDT has shed light into how NNGDOs are able to manage their agency despite being dependent on donor resources through the application of avoidance strategies and strong leadership style. The co-existence of dependency and agency presents a paradox which I call 'dependent agency'. The analysis has shown that RDT's discussion of power imbalance focuses on macro rather than meso and micro-level dynamics. However, I have argued that power imbalance is not only limited to donor-NGO relations but also among NNGDOs through networks and consortia.

Following from this, while RDT emphasise the role of board of directors in managing uncertainty, it neglects the role of individual leaders. However, this research has shown that NNGDOs' leadership vary in the choice of strategic responses and the role of individual charismatic leaders in ensuring organisational sustainability extends beyond board members. I argue that the role of board of directors as indicated by RDT is less relevant to the NNGDOs in this research because the boards are defunct and the

day-to-day decision-making processes are largely left to the founders. In this vein, I suggest that although organisational characteristics (including charismatic leadership style) is important to NNGDOs' survival, RDT is silent on how it influences NNGDOs' ability to acquire resources and manage uncertainty. In this regard, I argue that RDT needs to be extended beyond the role of the board to incorporate personal qualities of individual leaders. In addition, strategies such as mergers and acquisitions suggested by RDT are less applicable to NNGDOs given their highly personalised leadership and management structures. Hence, my research has shown the empirical limitations associated with RDT because of its failure to take into account NNGDOs' organisational characteristics and governance structures. The incorporation of these factors into RDT would help provide a better understanding of NNGDO organisational behaviour under environmental uncertainty.

In terms of NIT, I have indicated that it is useful for understanding how coercive, normative and mimetic pressures affect NNGDOs' organisational behaviour and strategic responses. In particular, NIT sheds light into how donors' coercive pressures promote inter-organisational cooperation among NNGDOs as a strategic response. In addition, this research extends NIT especially coercive isomorphism by highlighting the unintended consequences it promotes within the NNGDO sector. While NIT suggests that government exercise coercive pressures over NNGDOs through legal and technical regulations, this research argues that it not always the case in contexts of weak regulatory systems. In addition, I extend normative and mimetic isomorphism by identifying the media, networks and coalitions and development consultants as important sources of pressures for NNGDOs. More importantly, it highlights consultants as channels of NNGDOs' mimetic behaviours because they act as knowledge entrepreneurs bridging the gap between NNGDOs and donors.

While the existing theories are useful, I have highlighted the importance of drawing insights from the different theories in providing rich and complete understanding of NNGDOs' strategic behaviour and responses. Conceptually, I have provided a holistic strategic response model for understanding NNGDOs behaviour and their adaptability to turbulent environments. In doing so, I have provided a comprehensive analysis of the different ways in which NNGDOs are currently responding and ensuring their sustainability amidst uncertainty. This research has therefore argued for an approach that integrates RDT, NIT and Oliver's typology. In doing so, it has contributed to the organisational theory and NNGDO management literature.

### **9.3.2 Empirical contributions**

This thesis makes five empirical contributions. First, it contributes to the emerging literature on the effects of changing aid landscape on wider civil society organisations including NNGDOs' in countries that have transitioned into lower-middle-income category in recent years. In doing so, this research provides empirical evidence on how NNGDOs are responding to the on-going changes and uncertainty in their operating environment. While the existing literature provide anecdotal evidence of changing aid landscape, they focus mostly on countries in Asia and Latin America (Dubochet, 2012; Pallas and Nguyen, 2017; Appe, 2017). To the best of my knowledge, this research is the first to document NNGDOs' strategic responses to their changing operating environment from a sub-Saharan African perspective.

In particular, findings in this research provide rich empirical insights into how NNGDOs are coping and ensuring their survival at the country level. More importantly, most NNGDO research mainly focuses on INGDOs and established NNGDOs at the national level to the neglect of smaller and medium-sized NNGDOs at the district and regional levels. This has made them 'invisible' in the literature. The aim of this research was to focus on grassroots level realities from the perspectives of NNGDO workers, donor representatives, key informants and government officials to explain their experiences of the changing aid



landscape and its effects on small and medium-sized NNGDOs. For this reason, the research findings will help expand the literature on NNGDOs since it has resonance with existing situation in other developing countries.

Second, the thesis contributes to literature by providing a conceptualisation of strategies employed by NNGDOs in ensuring their survival and sustainability amidst growing uncertainty. As part of the empirical contributions, I have conceptualised an eight-part typology of strategic responses to organisational sustainability categorised into: i) resource diversification; ii) networking and partnerships; iii) cost recovery; iv) brand and visibility strategies; v) conformance to institutional pressures; vi) strategic planning; vii) avoidance and viii) influence. This typology provides a rich conceptual perspective to the discussion of environmental uncertainty and NNGDOs' sustainability. Again, it serves as an avenue for the creation of a testable typology in other contexts experiencing similar conditions.

The third contribution is the provision of evidence that challenges mainstream literature that resource diversification guarantees organisational autonomy, independence and sustainability. As this research has illustrated, the relationship between self-financing activities and organisational financial autonomy and independence is paradoxical. While previous literature suggests that revenue diversification reduce dependence, empirical findings from this research suggest otherwise. In fact, it has shown that although NNGDOs engaged in several financial diversification strategies, their prospects for guaranteeing financial autonomy remains limited. The findings provide a different perspective for thinking about the relationship between resource diversification and organisational autonomy. Moreover, it demonstrates that self-financing activities does not necessarily promote financial sustainability. In doing so, this research contributes to our understanding that self-financing initiatives may not be a panacea for NNGDOs' sustainability in context where institutional investment and organisational capacity are lacking.

Fourth, this thesis has demonstrated the importance of informality, personal connections and the role of personalised leadership in discussion of NNGDOs survival and sustainability. The evidence presented provides better insights into our understanding of how NNGDOs use informality and personal connections in their relationship with donors and other stakeholders in ensuring their sustainability. I have argued that the role of informal processes and relationships in ensuring NNGDOs' survival and sustainability cannot be underestimated and therefore deserves much attention. There is the need to look beyond formally structured relations to that of informality because they might be as important as the formal relationships. The incorporation of personal connections into discussions of NNGDOs' sustainability is key to understanding how they mobilise resources from stakeholders in their operating environment. Moreover, it has the potential to change our perception of NGDOs-stakeholder relations as it opens up space for discussion of informal accountability mechanisms. This will provide a balanced perspective on NGDOs' accountability mechanisms because mainstream literature focus on formal accountability practices. Focusing on informal accountability by exploring the perceptions of NGDOs, donors and their intended beneficiaries has the potential to offer a complete understanding of NGDOs' accountability systems.

Finally, the research provides empirical evidence on how donor funding modalities result in unintended consequences and casualties for NGDOs. The analysis in this thesis suggests that donor practices and policy decisions of favouring large and established NNGDOs to the neglect of small and medium-sized NNGDOs harms the promotion of diversity within the NGDO sector. For instance, this research provides insight into how multi-donor pooled funding mechanisms restrict funding access to a limited number of NNGDOs and hinder aid effectiveness efforts due to the lack of interactions between donors and NNGDOs. The evidence presented in this thesis has the potential to open up space for discussing the best funding mechanisms for NNGDOs.

### **9.3.3 Methodological contributions**

The originality of this thesis is strengthened by the uniqueness in the methodology used in understanding NNGDOs' organisational behaviour and strategic responses. In particular, while the majority of NGDO research in Ghana and other developing countries focus on ethnographic, case study and quantitative approach, I adopt a critical realist ontology to mixed methods research. In doing so, this research sheds light on different ways of researching NGDOs. In particular, the use of mixed methods sequential explanatory design informed by a critical realist perspective to studying NNGDOs' strategic responses to uncertainty demonstrates the methodological originality of this thesis. This thesis therefore advances our understanding of the methodologies for studying NGDOs rather than using qualitative and quantitative methods in isolation. In doing so, I have demonstrated the importance of methodological pluralism in NGDO research.

In addition, the thesis adds to the literature on methodological options for the study of NGDOs through the adoption of critical realism in a way that explicitly links analysis of agency and structure in seeking to understand their behaviour. I have also sought to affirm the importance of understanding both the reality of NGDO strategic behaviour and responses, and the beliefs and constructions of their leaders, in the quest to understand causal mechanisms influencing their external environment and strategic responses that are often directly unobservable. Respondents' socially constructed understanding of such reality provides useful insights into their strategic organisational behaviour but they only represent partial reality due to the existence of multiple interpretations shaped by the multiple contexts (individual, organisational and sectoral) within which they are located. This research therefore argues for the application of critical realism in NGDO research.

At a more practical level, the detailed methodological approach discussed in chapter four has shed light on ways of accessing information and researching NNGDOs in contexts where accurate and reliable data is missing. This research has highlighted that in the absence of a comprehensive database on NNGDOs, it is possible to rely on networks and coalitions as important sources of information in the identification and mapping of NNGDOs. An important methodological contribution of this research is the ability to map NNGDOs operating in health, education and agriculture sectors and collect a panel financial data from 2010-2015 for three regions of Ghana. Mapping the types and variations in NNGDOs operating within a specific geographical area is rare in most NGDO studies. For this reason, the data collected provides a useful source for information that can aid future research.

### **9.4 Research implications for NGDO management and policy**

The findings from this thesis have implications for both donors and NGDO leaders. In particular, donors' preference for large NNGDOs and INGDOs rather than small and medium-sized NNGDOs points to a worrying situation that threatens the dynamic nature of the NGDO sector because favouring large NNGDOs might result in the collapse of small NNGDOs with perceived close connection with intended beneficiaries. The demise of these organisations raises questions about their future intermediary and brokering roles. Addressing questions on the future roles of small and medium-sized NNGDOs is crucial. More importantly, it will help in raising two critical questions: i) what is the impact of small and medium-sized NNGDOs?; and ii) what are the justifications for ensuring their sustainability in the absence of a strong bottom up credential and social mobilisation? These questions point to a wider discussion of whether there is the need to support and nurture the growth of socially rooted organisations rather than NNGDOs.

Moreover, the research findings suggest the need for donors and their masters (i.e. politicians) to rethink their funding modalities by acknowledging that not all NNGDOs have the same organisational capacities and competencies. For this reason, there is the need for funding arrangements directed at specific

NNGDOs rather than using blanket organisational capacity criteria to determine eligibility for funding. The creation of separate funding schemes and grant mechanisms for small NNGDOs is a constructive step towards addressing the perceived discrimination in the sector given that currently proper support structures for them remains limited.

Third, the research has implications for the mobilisation of domestic resources as alternative funding for NNGDOs. The potential for building NNGDOs' sustainability in this way remains limited and points to the need for creating a more supportive policy environment for promoting domestic resource mobilisation. More specifically, it suggests there is a case for government commitment to setting up of an independent national funding agency for NNGDOs. The agency could serve as a funding pot from which individuals and corporate organisations could donate resources to support NNGDOs. While, the effective implementation of such an idea depends on NNGDOs' ability to add value to their activities and provide justification for their survival its formation would also be spur to this, and a counter to the undue influence of external donors in this regard.

Fourth, the thesis has demonstrated the need for self-reflexivity and learning by NNGDOs and their leaders. In particular, it requires conscious efforts in making substantial investments into their own organisational capacity development rather than expecting donors to do so. As discussed in chapter six, the sustainability of NNGDOs has never being a priority for donors although they claim to spearhead the sustainability discourse. Organisational survival beyond donor resources should become a preoccupation of NNGDOs. However, changing pockets of dependency thinking amidst weak organisational capacities is a challenge. For this reason, NNGDOs need to constantly engage in organisational learning and environmental scanning to identify challenges and opportunities that will help them address their capacity challenges. In particular, it requires leaders to examine their internal governance structures, identify weaknesses and formulate appropriate strategies in mitigating them. Environmental scanning would help NNGDOs with a sophisticated understanding and knowledge of the prevailing dynamics, potential and changes in the internal and external environments and how their own actions might be causing challenges for their organisations.

Finally, given that NNGDOs' leadership is shaped by prevailing contextual, cultural and environmental factors, having an appreciation of these critical issues is key to organisational survival. NNGDO leaders are important actors driving change within their organisations, however, their capacity remains limited and has resulted in leadership and management deficit. In this regard, an important aspect of the self-reflexivity and learning is investment in organisational leadership capacity and management. This includes the willingness of not only leaders but also staff to forgo their pride, learn and become creative in their changing operating environment. Shared understanding of organisational learning and culture is required in building organisational leadership and management.

### **9.5. Limitations of the study**

The first limitation relates to the methodology adopted. As mentioned in chapters four and five, this research faced challenges in accessing financial statements because respondents withheld them and in some instances were unavailable. The lack of disclosure of financial information by NNGDOs points to discrepancy in their financial transparency. For this reason, the quantitative analysis on income mobility matrix used income bands rather than exact financial figures for the period 2010-2015. While this helped in accounting for how far NNGDOs' income levels had changed over a five-year period, I was unable to ascertain the extent of their financial vulnerability using specific indicators (e.g. revenue concentration, surplus margins and equity) that would have provided useful insights. For this reason, I was unable to assess the relationship between revenue diversification and financial vulnerability.

Rather, I relied on income mobility matrix as a way of summarising my quantitative data, as well as being forced to rely more heavily on the qualitative components of the research.

Directly related to the above is the fact that the qualitative phase of the research drew on data from a large number of NNGDOs which made it difficult in accounting for variations and commonalities in the strategies. Using an ethnographic approach would have helped in understanding issues not captured through the in-depth interview process because it would have provided insights into NNGDOs' daily activities. However, as mentioned earlier, the aim of this research was to depart from the normal tradition of NGDO research that focuses on case studies and ethnographic approaches. The research findings affirm theoretical and analytical generalisation. In this regard, I argue that relevance or transferability of the research findings to other NNGDOs in Ghana was enhanced.

A third limitation relates to my focus on NNGDOs as the unit of analysis in this research. While this approach is useful, I acknowledge that NNGDOs are embedded in network of interactions with intended beneficiaries who have the potential of influencing their strategic responses. However, the explanations in this research did not focus on the perspectives of intended beneficiaries (i.e. perceptions and expectations of NNGDOs) and how that influences strategic responses. Greater representation of intended beneficiaries could have provided different insights into understanding the impact on them of strategies such as cost recovery. However, this does not in any way affect the findings reported in this research because its aim was not to address the accountability and effectiveness of NNGDOs interventions to intended beneficiaries. Rather, the perspectives provided by different respondents in this research have provided useful insights into understanding NNGDOs strategic behaviour and responses to their uncertain operating environment. The limitations outlined above open up scope for further research but I strongly believe that it does not in any way affect the validity and credibility of the research findings.

## **9.6 Scope for future research**

While this research has provided valuable insights from Ghana, expanding the scope to other transitional economies experiencing similar changes in their aid landscape would provide a broader comparative perspective for understanding NNGDOs' responses. It would also serve as a useful ground for examining the wider applicability of the typology of strategies identified. A country comparative research would again provide an understanding into the underlying factors driving the choice of NNGDOs strategic behaviour and responses in specific contexts.

Second, while the mixed methods sequential explanatory design is innovative, the quantitative study is based on a small sample size. For this reason, future research could expand the size to other sectors, regions and INGDOs. Moreover, it could focus on assessing the relationship between resource diversification and financial vulnerability of NNGDOs. This will help in accounting for variations and commonalities and provide a bigger picture of the dynamics associated with the effects of changing aid landscape.

Third, future research that explores the extent to which NNGDOs have succeeded or otherwise in putting the identified strategies into effect and their wider consequences on organisational performance would be useful. For example, the adoption of cost-recovery strategies (e.g. downsizing staff and programmes) could trigger the decision by a donor to withdraw funding because of NNGDOs' inability to reach out to more intended beneficiaries.

Fourth, the application of other theoretical perspectives (e.g. population ecology) to study NNGDOs' behaviour will provide additional insights for future research. In particular, population ecology could shed insights into why some organisations survive and others collapse, why some are generalists and others

specialist organisations. It would also be interesting to explore further questions about governance issues of networks, coalition secretariats and their relationship with members and donors.

Finally, another area of research worth exploring further is NNGDOs' internal management and leadership. At present, discussion of succession planning in the non-profit literature has focused on organisations in the developed rather than developing countries with the exception of a few (Smillie and Hailey, 2001; Hailey and James, 2004). For this reason, there is the need for a deeper understanding of these internal governance and management issues. Directly associated with this is the need for further research to explore the extent to which NNGDOs are managed as 'family businesses'. Future research on these issues would provide valuable insights for the NGDO strategic management and leadership literature.

## References

- Abdulai, A. G. (2017). The political economy of regional inequality in Ghana: Do political settlements matter?. *The European Journal of Development Research*, 29(1), 213-229.
- AbouAssi, K. (2013). Hands in the pockets of mercurial donors: NGO response to shifting funding priorities. *Nonprofit and Voluntary Sector Quarterly*, 42(3), 584-602.
- Adams, S., & Atsu, F. (2014). Aid dependence and economic growth in Ghana. *Economic Analysis and Policy*, 44(2), 233-242.
- African Development Bank (AfDB). (2017). African economic outlook 2017: Entrepreneurship and Industrialisation. Abidjan: AfDB. Online: <http://www.africaneconomicoutlook.org/en/outlook>. (Accessed: 12<sup>th</sup> August 2017).
- Agg, C. (2006). Trends in government support for non-governmental organisations: Is the “Golden Age” of the NGO behind us? Civil Society and Social Movements Programme Paper No. 23. New York: UNRISD.  
Online: [http://www.unrisd.org/unrisd/website/document.nsf/\(httppublications\)/e8bc05c1e4b8ad6fc12571D1002C4F0B?opendocument](http://www.unrisd.org/unrisd/website/document.nsf/(httppublications)/e8bc05c1e4b8ad6fc12571D1002C4F0B?opendocument) (Accessed: 13<sup>th</sup> January 2015).
- Agyei, Y. A., Kumi, E., & Yeboah, T. (2016). Is better to be a Kayayei than to be unemployed: Reflecting on the role of head portering in Ghana’s informal economy. *GeoJournal*, 81(2), 293–318.
- Agyemang, G., O'Dwyer, B., Unerman, J., & Awumbila, M. (2017). Seeking ‘conversations for accountability’: Mediating the impact of non-governmental organization (NGO) upward accountability processes. *Accounting, Auditing & Accountability Journal*, 30(5), 982-1007.
- Aldaba, F., Antezana, P., Valderrama, M., & Fowler, A. (2000). NGO strategies beyond aid: Perspectives from Central and South America and the Philippines. *Third World Quarterly*, 21(4), 669-683.
- Alikhan, F., Kyei, P., Mawdsley, E., Porter, G., Raju, S., Townsend, J., & Varma, R. (2007). *NGOs and the State in the Twenty-first Century: Ghana and India*. Oxford: INTRAC.
- Alonso, J. A., Glennie, J., & Sumner, A. (2014). Recipients and contributors: Middle income countries and the future of development cooperation. DESA Working Paper No. 135. New York: United Nations Department of Economic and Social Affairs. Online: [http://www.un.org/esa/desa/papers/2014/wp135\\_2014.pdf](http://www.un.org/esa/desa/papers/2014/wp135_2014.pdf) (Accessed: 14<sup>th</sup> March 2016).
- Amoako, K.Y. (2008). The future of civil society in democratic governance and development in Africa. The 4<sup>th</sup> Annual Kronti ne Akwamu (Democracy and Good Governance) Lecture. Accra: Centre for Democratic Development (CDD).
- Annen, K., & Strickland, S. (2017). Global Samaritans? Donor election cycles and the allocation of humanitarian aid. *European Economic Review*, 96, 38-47.
- Appe, S. (2017). Civil society organizations in a post-aid world: New trends and observations from the Andean Region. *Public Administration and Development*, 37(2), 122-135.
- Arhin, A. (2016). Advancing post-2015 Sustainable Development Goals in a changing development landscape: Challenges of NGOs in Ghana. *Development in Practice*, 26(5), 555-568.
- Aryeetey, E., & Fenny, A.P. (2017). In Aryeetey, E., & Kanbur, R. (Eds.). *The economy of Ghana sixty years after independence*. Oxford: Oxford University Press. Pp. 45-65.

- Awuah-Werekoh, K. (2015). Accountability systems of non-governmental organizations: Case study from Ghana. PhD thesis submitted to University of Birmingham, United Kingdom.
- Baah-Boateng, W. (2017). Employment and labour market. In Aryeetey, E., & Kanbur, R. (Eds.). *The economy of Ghana sixty years after independence*. Oxford: Oxford University Press. Pp. 299-317.
- Banks, N., Hulme, D., & Edwards, M. (2015). NGOs, states, and donors revisited: Still too close for comfort? *World development*, 66(1), 707-718.
- Bano, M. (2008). Dangerous correlations: Aid's impact on NGOs' performance and ability to mobilize members in Pakistan. *World Development*, 36(11), 2297-2313.
- Barman, E. (2008). With strings attached: Nonprofits and the adoption of donor choice. *Nonprofit and Voluntary Sector Quarterly*, 37(1), 39-56.
- Barman, E. A. (2002). Asserting difference: The strategic response of nonprofit organizations to competition. *Social Forces*, 80(4), 1191-1222.
- Baruch, Y., & Holtom, B. C. (2008). Survey response rate levels and trends in organizational research. *Human Relations*, 61(8), 1139-1160.
- Bawa, S. (2013). Autonomy and policy independence in Africa: A review of NGO development challenges. *Development in Practice*, 23(4), 526-536.
- Bebbington, A., Hickey, S., & Mitlin, D. (2008). *Can NGOs make a difference?: The challenge of development alternatives*. London: Zed Books.
- Bebbington, A., & Riddell, R. (1995). The direct funding of southern NGOs by donors: New agendas and old problems. *Journal of International Development*, 7(6), 879-893.
- Beckert, J. (1999). Agency, entrepreneurs, and institutional change. The role of strategic choice and institutionalized practices in organizations. *Organization Studies*, 20(5), 777-799.
- Berry, J. M., Arons, D. F., Bass, G. D., Carter, M. F., & Portney, K. E. (2003). *Surveying nonprofits: A methods handbook*. Washington, DC: Aspen Institute.
- Bhaskar, R. (1989). *Roy Bhaskar, Reclaiming reality. A critical introduction to contemporary philosophy*. London: Verso.
- Bhaskar, R. (1978). *A realist theory of science*. Hemel Hempstead: Harvester Press.
- Bielefeld, W. (1992). Funding uncertainty and nonprofit strategies in the 1980s. *Nonprofit Management and Leadership*, 2(4), 381-401.
- Block, S. R., & Rosenberg, S. (2002). Toward an understanding of founder's syndrome: An assessment of power and privilege among founders of nonprofit organizations. *Nonprofit Management and Leadership*, 12(4), 353-368.
- Boli, J. (2006). International Nongovernmental Organizations. In Powell, W.W., & Steinberg, R. (2<sup>nd</sup> Ed). *The nonprofit sector: A research handbook*. New Haven: Yale University Press. Pp. 333-354.
- Boli, J., & Thomas, G. M. (1999). INGOs and the organization of world culture. In Boli, J., & Thomas, G. M. (Ed.). *Constructing world culture: International nongovernmental organizations since 1875*. California: Stanford University Press.

- Booth, D. (2013). Facilitating development: An arm's length approach to aid. London: Overseas Development Institute. Online: <https://www.odi.org/sites/odi.org.uk/files/odi-assets/publications-opinion-files/8791.pdf> (Accessed: 17<sup>th</sup> April 2016).
- Braun, V., & Clarke, V. (2006). Using thematic analysis in psychology. *Qualitative research in Psychology*, 3(2), 77-101.
- Brass, J. N. (2012). Blurring boundaries: The integration of NGOs into governance in Kenya. *Governance*, 25(2), 209-235.
- Briggs, R. C. (2015). The influence of aid changes on African election outcomes. *International Interactions*, 41(2), 201-225.
- Briggs, R. C. (2012). Electrifying the base? Aid and incumbent advantage in Ghana. *The Journal of Modern African Studies*, 50(4), 603-624.
- Brinkerhoff, J. M. (2002). Government-non-profit partnership: A defining framework. *Public Administration and Development*, 22(1), 19-30.
- Brown, S. (2017). Foreign aid and national ownership in Mali and Ghana. *Forum for Development Studies*, 44(3) 335-356.
- Brumley, K. M. (2010). Understanding Mexican NGOs: Goals, strategies, and the local context. *Qualitative Sociology*, 33(3), 389-414.
- Bryant, R. L. (2005). *Nongovernmental organizations in environmental struggles: Politics and the making of moral capital in the Philippines*. New Haven: Yale University Press.
- Buchko, A. A. (1994). Conceptualization and measurement of environmental uncertainty: An assessment of the Miles and Snow perceived environmental uncertainty scale. *Academy of Management Journal*, 37(2), 410-425.
- Buckley, L. & Ward, H. (2015). Getting good at disruption in an uncertain world: insights from Southern NGO leaders. IIED Working Paper. London: IIED.
- Burger, R. (2012). Reconsidering the case for enhancing accountability via regulation. *Voluntas: International Journal of Voluntary and Nonprofit Organizations*, 23(1), 85-108.
- Butcher, J., & Einolf, C. J. (Eds.). (2017). *Perspectives on Volunteering: Voices from the South*. Cham: Springer International Publishing.
- Carroll, D. A., & Stater, K. J. (2009). Revenue diversification in nonprofit organizations: Does it lead to financial stability? *Journal of Public Administration Research and Theory*, 19(4), 947-966.
- Casciaro, T., & Piskorski, M. J. (2005). Power imbalance, mutual dependence, and constraint absorption: A closer look at resource dependence theory. *Administrative Science Quarterly*, 50(2), 167-199.
- Chahim, D., & Prakash, A. (2014). NGOization, foreign funding, and the Nicaraguan civil society. *Voluntas: International Journal of Voluntary and Nonprofit Organizations*, 25(2), 487-513.
- Chazan, N. (1983). *An Anatomy of Ghanaian politics: Managing recession, 1969–1982*. Boulder: Westview Press.



- Clark, P. A. (2000). *Organisations in action: Competition between contexts*. London: Routledge.
- Collier, M. J., & Muneri, C. (2016). A call for critical reflexivity: Reflections on research with nongovernmental and nonprofit organizations in Zimbabwe and Kenya. *Western Journal of Communication*, 80(5), 638-658.
- Collins, K. M., Onwuegbuzie, A. J., & Jiao, Q. G. (2007). A mixed methods investigation of mixed methods sampling designs in social and health science research. *Journal of Mixed Methods Research*, 1(3), 267-294.
- Cooley, A., & Ron, J. (2002). The NGO scramble: Organizational insecurity and the political economy of transnational action. *International Security*, 27(1), 5-39.
- Cooney, K. (2007). Fields, organizations, and agency: Toward a multilevel theory of institutionalization in action. *Administration & Society*, 39(6), 687-718.
- Copestake, J., O'Riordan, A. M., & Telford, M. (2016). Justifying development financing of small NGOs: Impact evidence, political expedience and the case of the UK Civil Society Challenge Fund. *Journal of Development Effectiveness*, 8(2), 157-170.
- Copestake, J. (2014). Credible impact evaluation in complex contexts: Confirmatory and exploratory approaches. *Evaluation*, 20(4), 412-427.
- Copestake, J. (2013). Behind the aid brand: distinguishing between development finance and assistance. Bath Papers in International Development and Well-being. Working Paper 24. Bath: University of Bath. Online: <http://www.bath.ac.uk/cds/publications/bpd24.pdf> (Accessed: 14<sup>th</sup> February 2015).
- Copestake, J. (1996). NGO-state collaboration and the new policy agenda-the case of subsidized credit. *Public Administration and Development*, 16(1), 21-30.
- Corbin, J., & Strauss, A. (2015). *Basics of qualitative research: Techniques and procedures for developing grounded theory* (4<sup>th</sup> Ed). Thousand Oaks: Sage publications.
- Crawford, G. (2003). Partnership or power? Deconstructing the 'partnership for governance reform' in Indonesia. *Third World Quarterly*, 24(1), 139-159.
- Creswell, J. W., Plano Clark, Gutmann, M., & Hanson, W. (2003). Advanced mixed methods research designs. In Tashakkori, A., & Teddlie, C. (Ed). *Handbook on mixed methods in the behavioural and social sciences*. Thousand Oaks: Sage Publications. Pp. 209–240.
- Cunliffe, A. L., & Alcadipani, R. (2016). The politics of access in fieldwork immersion, backstage dramas, and deception. *Organizational Research Methods*, 19(4) 535-561.
- Cycyota, C.S. & Harrison, D.A. (2006). What (not) to expect when surveying executives. *Organizational Research Methods*, 9(2), 133–160.
- Dacin, M. T. (1997). Isomorphism in context: The power and prescription of institutional norms. *Academy of Management Journal*, 40(1), 46-81.
- Dacin, M. T., Goodstein, J., & Scott, W. R. (2002). Institutional theory and institutional change: Introduction to the special research forum. *Academy of Management Journal*, 45(1), 45-56.

- Davis, G.F., & Cobb, A.J. (2010). Resource dependence theory: Past and future. In Schoonhoven, B. D., & Dobbin, F. (Ed.) *Stanford's Organization Theory Renaissance, 1970–2000 (Research in the Sociology of Organizations, Volume 28)*. Bingley: Emerald Group Publishing. Pp. 21–42.
- Debrah, E., & Graham, E. (2015). Preventing the oil curse situation in Ghana: The role of civil society organisations. *Insight on Africa*, 7(1), 21-41.
- Deephouse, D. L., & Carter, S. M. (2005). An examination of differences between organizational legitimacy and organizational reputation. *Journal of Management Studies*, 42(2), 329-360.
- De Graff, M. (1987). Context, constraint or control? Zimbabwean NGOs and their environment. *Development Policy Review*, 5(3), 277-301.
- Denzin, N. K. (2012). Triangulation 2.0. *Journal of Mixed Methods Research*, 6(2), 80-88.
- Denzin, N. K., & Lincoln, Y. S. (2011). *The sage handbook of qualitative research* (4<sup>th</sup> Ed.). Thousand Oaks: Sage Publications.
- Despard, M. R., Nafziger-Mayegun, R. N., Adjabeng, B. K., & Ansong, D. (2017). Does revenue diversification predict financial vulnerability among non-governmental organizations in sub-Saharan Africa?. *Voluntas: International Journal of Voluntary and Nonprofit Organizations*, 28(5), 2124 -2144.
- Devine, J. (2003). The paradox of sustainability: Reflections on NGOs in Bangladesh. *The Annals of the American Academy of Political and Social Science*, 590(1), 227-242.
- Dillman, D. A., Smyth, J. D., & Christian, L. M. (2014). *Internet, phone, mail, and mixed-mode surveys: The tailored design method* (4<sup>th</sup> Ed.). New Jersey: John Wiley & Sons.
- DiMaggio, P., Powell W.W. (1983). "The iron cage revisited: Collective rationality and institutional isomorphism in organizational fields." *American Sociological Review*, 48(2), 147-160.
- DiMaggio, P. J., & Powell, W.W. (Ed.). (1991). *The new institutionalism in organizational analysis*. Chicago: University of Chicago Press.
- Doornbos, M. (2003). "Good Governance": The metamorphosis of a policy metaphor. *Journal of International Affairs*, 51(1), 3-17.
- Dubochet, L. (2012). Civil society in a middle-income country: Evolutions and challenges in India. *Journal of International Development*, 24(6), 714-727.
- Duncan, R. B. (1972). Characteristics of organizational environments and perceived environmental uncertainty. *Administrative Science Quarterly*, 17(3), 313-327.
- Dupuy, K. E., Ron, J., & Prakash, A. (2015). Who survived? Ethiopia's regulatory crackdown on foreign-funded NGOs. *Review of International Political Economy*, 22(2), 419-456.
- Drees, J. M., & Heugens, P. P. (2013). Synthesizing and extending resource dependence theory: A meta-analysis. *Journal of Management*, 39(6), 1666-1698.
- Easton, G. (2010). Critical realism in case study research. *Industrial Marketing Management*, 39(1), 118-128.
- Ebrahim, A. (2005). *NGOs and Organizational Change: Discourse, reporting, and learning*. Cambridge: Cambridge University Press.

- Ebrahim, A. (2003). Accountability in practice: Mechanisms for NGOs. *World Development*, 31(5), 813-829.
- Ebrahim, A. (2002). Information struggles: The role of information in the reproduction of NGO-funder relationships. *Nonprofit and Voluntary Sector Quarterly*, 31(1), 84-114.
- Edwards, P. K., O'Mahoney, J., & Vincent, S. (Eds.). (2014). *Studying organizations using critical realism: A practical guide*. Oxford: Oxford University Press.
- Edwards, M. and Hulme, D. (Eds.). (1997). *NGOs, states and donors: Too close for comfort?* Basingstoke: Macmillan Press.
- Edwards, M., & Hulme, D. (1996). Too close for comfort? The impact of official aid on nongovernmental organizations. *World Development*, 24(6), 961-973.
- Elbers, W., & Schulpen, L. (2013). Corridors of power: The institutional design of north-south NGO partnerships. *Voluntas: International Journal of Voluntary and Nonprofit Organizations*, 24(1), 48-67.
- Elbers, W., & Arts, B. (2011). Keeping body and soul together: Southern NGOs' strategic responses to donor constraints. *International Review of Administrative Sciences*, 77(4), 713-732.
- Elbers, W., & Schulpen, L. (2011). Decision making in partnerships for development: Explaining the influence of local partners. *Nonprofit and Voluntary Sector Quarterly*, 40(5), 795-812.
- Eyben, R. (2013). Uncovering the Politics of 'Evidence' and 'Results'. A framing paper for development practitioners. Brighton: Institute of Development Studies. Online: <http://bigpushforward.net/wp-content/uploads/2011/01/The-politics-of-evidence-11-April-20133.pdf>. (Accessed: 17<sup>th</sup> March 2016).
- Fletcher, A. J. (2017). Applying critical realism in qualitative research: Methodology meets method. *International Journal of Social Research Methodology*, 20(2), 181-194.
- Fosu, A.K. (2017). Oil and Ghana's economy. In Aryeetey, E., & Kanbur, R. (Eds.). *The economy of Ghana sixty years after independence*. Oxford: Oxford University Press. Pp. 137-156.
- Fowler, A. (2016). NGO-business partnership and north-south power perspectives from African philanthropy. Paper presented at the Development Studies Association Conference, 12<sup>th</sup>-14<sup>th</sup> September 2016. University of Oxford.
- Fowler, A. (2000a). NGO futures: Beyond aid: NGDO values and the fourth position. *Third World Quarterly*, 21(4), 589-603.
- Fowler, A. (2000b). Introduction beyond partnership: Getting real about NGO relationships in the aid system. *IDS Bulletin*, 31(3), 1-13.
- Froelich, K. A. (1999). Diversification of revenue strategies: Evolving resource dependence in nonprofit organizations. *Nonprofit and Voluntary Sector Quarterly*, 28(3), 246-268.
- Frumkin, P., & Keating, E. K. (2011). Diversification reconsidered: The risks and rewards of revenue concentration. *Journal of Social Entrepreneurship*, 2(2), 151-164.
- Fruttero, A., & Gauri, V. (2005). The strategic choices of NGOs: Location decisions in rural Bangladesh. *Journal of Development Studies*, 41(5), 759-787.

- Fulton, B. R. (2016). Organizations and survey research: Implementing response enhancing strategies and conducting nonresponse analyses. *Sociological Methods and Research*, 1-37.  
<https://doi.org/10.1177/0049124115626169>.
- Garud, R., Hardy, C., & Maguire, S. (2007). Institutional entrepreneurship as embedded agency: An introduction to the special issue. *Organisational Studies*, 28(07), 957–969.
- Gary, I. (1996). Confrontation, co-operation or co-optation: NGOs and the Ghanaian state during structural adjustment. *Review of African Political Economy*, 23(68), 149-168.
- Gayi, S. K. (1991). Adjustment and ‘safety-netting’: Ghana's programme of actions to mitigate the social costs of adjustment (PAMSCAD). *Journal of International Development*, 3(4), 557-564.
- Ghana Statistical Service (GSS). (2017a). Provisional 2016 annual gross domestic product: April 2017 Edition. Statistical Service, Accra, Ghana. Online: [http://www.statsghana.gov.gh/gdp\\_bulletin.html](http://www.statsghana.gov.gh/gdp_bulletin.html). (Accessed: 18<sup>th</sup> May 2017).
- Ghana Statistical Service (GSS). (2017b). Consumer price index (CPI) September 2017. Online: [http://www.statsghana.gov.gh/cpi\\_bulletin.html](http://www.statsghana.gov.gh/cpi_bulletin.html). (Accessed: 20<sup>th</sup> October 2017).
- Ghana Statistical Service (GSS). (2016). 2010 population projection by sex, 2010-2016. Online: [http://www.statsghana.gov.gh/pop\\_stats.html](http://www.statsghana.gov.gh/pop_stats.html). (Accessed: 23<sup>rd</sup> September 2017).
- Ghana Statistical Service (GSS). (2014a). Ghana living standards survey 6: Poverty profile report Online: <http://www.statsghana.gov.gh/glss6.html>. (Accessed: 8<sup>th</sup> April 2015).
- Ghana Statistical Service (GSS). (2014b). Ghana living standards survey 6: Labour force report Online: <http://www.statsghana.gov.gh/glss6.html>. (Accessed: 8<sup>th</sup> April 2015).
- Ghana Statistical Service (GSS). (2013). *2010 Population and housing census report*. Accra: Ghana Statistical Service.
- Giddens, A. (1984). *The constitution of society: Outline of the theory of structuration*. Cambridge: Polity Press.
- Gillham, B. (2005). *Research interviewing: The range of techniques*. Berkshire: Open University Press.
- Gore, C. (2013). The new development cooperation landscape: Actors, approaches, architecture. *Journal of International Development*, 25(6), 769-786.
- Gouvernement of Ghana (GOG). (2017a). President pledges to stop Ghana's over reliance on foreign aid. Online: <http://www.ghana.gov.gh/index.php/news/3738-president-pledges-to-stop-ghana-s-over-reliance-on-foreign-aid> (Accessed: 4<sup>th</sup> November 2017).
- Government of Ghana (GOG). (2017b). Keynote speech on “Ghana beyond aid: Moving forward together” by Vice President Dr. Bawumia. Online: <http://presidency.gov.gh/index.php/2017/11/23/keynote-speech-on-ghana-beyond-aid-moving-forward-together-by-vice-president-dr-bawumia/> (Accessed: 24<sup>th</sup> November 2017).
- Government of Ghana (GOG). (2012). *Leveraging partnership for shared growth and Development: Government of Ghana-Development Partners Compact-2012-2022*. Accra, Ghana.

- Greenwood, R., Raynard, M., Kodeih, F., Micelotta, E. R., & Lounsbury, M. (2011). Institutional complexity and organizational responses. *Academy of Management Annals*, 5(1), 317-371.
- Greenwood, R., Oliver, C., Suddaby, R., & Sahlin, K. (Eds.). (2008). Introduction. In Greenwood, R., Oliver, C., Suddaby, R., & Sahlin, K. (Ed.). *Sage handbook of organizational institutionalism*. London: Sage Publications. Pp. 170-197.
- Greenwood, R., Suddaby, R., & Hinings, C. R. (2002). Theorizing change: The role of professional associations in the transformation of institutionalized fields. *Academy of Management Journal*, 45(1), 58-80.
- Grindle, M. S. (2010). Good governance: The inflation of an idea. HKS Faculty Research Working Paper Series, RWP10-023, John F. Kennedy School of Government, Harvard University.
- Guba, E.G. & Lincoln, Y.S. (1994). Competing paradigms in qualitative research. In, Denzin, N.K., & Lincoln, Y.S. (Ed.), *Handbook of qualitative research*. Thousand Oaks: Sage Publications. Pp. 105-17.
- Guest, G., Bunce, A., & Johnson, L. (2006). How many interviews are enough? An experiment with data saturation and variability. *Field Methods*, 18(1), 59-82.
- Gulrajani, N. (2017). Bilateral donors and the age of the national interest: What prospects for challenge by development agencies?. *World Development*, 96, 375-389.
- Gupta, N., Shaw, J. D., & Delery, J. E. (2000). Correlates of response outcomes among organizational key informants. *Organizational Research Methods*, 3(4), 323-347.
- Gugerty, M. K. (2010). The emergence of nonprofit self-regulation in Africa. *Nonprofit and Voluntary Sector Quarterly*, 39(6), 1087-1112.
- Gyimah-Boadi, E. (2015). Africa's waning democratic commitment. *Journal of Democracy*, 26(1), 101-113.
- Gyimah-Boadi, E. (1990). Economic recovery and politics in the PNDC's Ghana. *The Journal of Commonwealth and Comparative Politics*, 28(3), 328-343.
- Hailey, J., & Salway, M. (2016). New routes to CSO sustainability: The strategic shift to social enterprise and social investment. *Development in Practice*, 26(5), 580-591.
- Hailey, J., & James, R. (2004). "Trees die from the top": International perspectives on NGO leadership development. *Voluntas: International Journal of Voluntary and Nonprofit Organizations*, 15(4), 343-353.
- Hall, P. A., & Taylor, R. C. (1996). Political science and the three new institutionalisms. *Political Studies*, 44(5), 936-957.
- Hambrick, D. C. (1982). Environmental scanning and organizational strategy. *Strategic Management Journal*, 3(2), 159-174.
- Heinrich, T., Kobayashi, Y., & Bryant, K. A. (2016). Public opinion and foreign aid cuts in economic crises. *World Development*, 77, 66-79.
- Harré, R., & Bhaskar, R. (2001). How to change reality: Story vs. structure -A debate between Rom Harré and Roy Bhaskar. In Lopez, J., & Potter, G. (Ed.). *After Postmodernism: An introduction to critical realism*. London: Continuum. Pp. 22-38.

- Harrison, T. (2017). NGOs and personal politics: The relationship between NGOs and political leaders in West Bengal, India. *World Development*, 98, 485-496.
- Harrison, G. (2010). The Africanization of poverty: A retrospective on 'Make Poverty History'. *African Affairs*, 109(436), 391-408.
- Hayman, R., & Lewis, S. (2017). INTRAC's experience of working with International NGOs on aid withdrawal and exit strategies from 2011 to 2016. *Voluntas: International Journal of Voluntary and Nonprofit Organizations*, 1-21. DOI 10.1007/s11266-017-9901-x.
- Hayman, R. (2016). Unpacking civil society sustainability: Looking back, broader, deeper, forward. *Development in Practice*, 26(5), 670-680.
- Hershey, M. (2013). Explaining the non-governmental organization (NGO) boom: The case of HIV/AIDS NGOs in Kenya. *Journal of Eastern African Studies*, 7(4), 671-690.
- Hickey, S. (2012). Turning governance thinking upside-down? Insights from 'the politics of what works'. *Third World Quarterly*, 33(7), 1231-1247.
- Hilhorst, D. (2003). *The Real World of NGOs: Discourses, diversity, and development*. London: Zed Books.
- Hillman, A. J., Withers, M. C., & Collins, B. J. (2009). Resource dependence theory: A review. *Journal of Management*, 35(6), 1404-1427.
- Hudock, A. C. (1995). Sustaining Southern NGOs in resource-dependent environments. *Journal of International Development*, 7(4), 653-667.
- Hughes, T. (2005). Ghana: A donor success story. *South African Journal of International Affairs*, 12(2), 75-93.
- Hutchful, E. (2002). *Ghana's Adjustment experience: The paradox of reform*. Oxford: Oxford University Press.
- Huyse, H., & De Bruyn, T. (2015). New trends in governmental funding of civil society organisations: A comparative study of 9 OECD-DAC donors. HIVA- Research Institute for Work and Society. Online: [https://hiva.kuleuven.be/en/research/rg-sustainable-development/global-development/publications/CSO\\_study\\_2015/view](https://hiva.kuleuven.be/en/research/rg-sustainable-development/global-development/publications/CSO_study_2015/view) (Online: 10<sup>th</sup> May 2016).
- Ivankova, N. V. (2014). Implementing quality criteria in designing and conducting a sequential QUAN→ QUAL mixed methods study of student engagement with learning applied research methods online. *Journal of Mixed Methods Research*, 8(3), 25-51.
- Janus, H., Klingebiel, S., & Paulo, S. (2015). Beyond aid: A conceptual perspective on the transformation of development cooperation. *Journal of International Development*, 27(2), 155-169.
- Jakimow, T. (2011). Family involvement in small, local nongovernmental organizations. *Nonprofit Management and Leadership*, 22(1), 21-35.
- Jerven, M., & Duncan, M. E. (2012). Revising GDP estimates in sub-Saharan Africa: Lessons from Ghana. *African Statistical Journal*, 15, 13-24.

- Jogaratnam, G., & Wong, K. K. (2009). Environmental uncertainty and scanning behavior: An assessment of top-level hotel executives. *International Journal of Hospitality and Tourism Administration*, 10(1), 44-67.
- Johnson, R. B., Onwuegbuzie, A. J., & Turner, L. A. (2007). Toward a definition of mixed methods research. *Journal of Mixed Methods Research*, 1(1), 112-133.
- Johnson, R. B., & Onwuegbuzie, A. J. (2004). Mixed methods research: A research paradigm whose time has come. *Educational Researcher*, 33(7), 14-26.
- Jones, B. (2017). Looking Good: Mediatization and International NGOs. *The European Journal of Development Research*, 29(1), 176-191.
- Kamstra, J., & Schulpen, L. (2015). Worlds apart but much alike: Donor funding and the homogenization of NGOs in Ghana and Indonesia. *Studies in Comparative International Development*, 50(3), 331-357.
- Kanbur, R., & Sumner, A. (2012). Poor countries or poor people? Development assistance and the new geography of global poverty. *Journal of International Development*, 24(6), 686-695.
- Kanbur, R. (2012). Aid to the poor in middle-income countries and the future of the International Development Association. *Journal of International Commerce, Economics and Policy*, 3(02), 1250008-1-1250008-9.
- Khieng, S., & Dahles, H. (2015). Resource dependence and effects of funding diversification strategies among NGOs in Cambodia. *Voluntas: International Journal of Voluntary and Nonprofit Organizations*, 26(4), 1412-1437.
- Kim, J. (2015). Aid and state transition in Ghana and South Korea. *Third World Quarterly*, 36(7), 1333-1348.
- Kimemia, D. (2014). Non-governmental Organizations and corruption: The case of Kenya. In Mudacumura, G.M., & Morçöl, G. *Challenges to Democratic Governance in Developing Countries*. Cham: Springer International Publishing. pp. 157-170.
- Koch, D. J., Dreher, A., Nunnenkamp, P., & Thiele, R. (2009). Keeping a low profile: What determines the allocation of aid by non-governmental organizations? *World Development*, 37(5), 902-918.
- Krause, M. (2014). *The good project: Humanitarian relief NGOs and the fragmentation of reason*. Chicago: University of Chicago Press.
- Kumi, E. (2017a). Aid reduction and NGOs' quest for sustainability in Ghana: Can philanthropic institutions serve as alternative resource mobilisation routes?. *Voluntas: International Journal of Voluntary and Nonprofit Organizations*, 1-16. <https://doi.org/10.1007/s11266-017-9931-4>
- Kumi, E. (2017b). Domestic resource mobilisation strategies of national non-governmental development organisations in Ghana. Bath Papers in International Development and Wellbeing, No. 52. Online: <http://www.bath.ac.uk/cds/publications/bdp52.pdf>. (Accessed: 14<sup>th</sup> July 2017).
- Kumi, E., Ibrahim, M., & Yeboah, T. (2017). Aid, aid volatility and sectoral growth in sub-Saharan Africa: Does Finance Matter? *Journal of African Business*, 18(4), 435-456.
- Landim, L. (1987). Non-governmental organizations in Latin America. *World Development*, 15(1), 29-38.



- Lange, D., Lee, P. M., & Dai, Y. (2011). Organizational reputation: A review. *Journal of Management*, 37(1), 153-184.
- Lawrence, T. B. (2008). Power, institutions and organizations. In Greenwood, R., Oliver, C., Suddaby, R., & Sahlin, K. (Ed.). *Sage handbook of organizational institutionalism*. London: Sage Publications. Pp. 170-197.
- Leon, A. C., Davis, L. L., & Kraemer, H. C. (2011). The role and interpretation of pilot studies in clinical research. *Journal of Psychiatric Research*, 45(5), 626-629.
- Lewis, D., & Opoku-Mensah, P. (2006). Moving forward research agendas on international NGOs: Theory, agency and context. *Journal of International Development*, 18(5), 665-675.
- Lewis, D., & Mosse, D. (Ed.). (2006). *Development brokers and translators: The ethnography of aid and agencies*. Bloomfield: Kumarian Press.
- Lewis, D. (2<sup>nd</sup> Ed.) (2007). *The management of non-governmental development organizations*. London: Routledge.
- Lister, S. (2003). NGO legitimacy: Technical issue or social construct?. *Critique of Anthropology*, 23(2), 175-192.
- Lister, S. (2000). Power in partnership? An analysis of an NGO's relationships with its partners. *Journal of International Development*, 12(2), 227-239.
- Long, N. (2001). *Development sociology: Actor perspectives*. London: Routledge.
- Macdonald, L. (1994). Globalising civil society: Interpreting international NGOs in Central America. *Millennium*, 23(2), 267-285.
- MacLean, L. M., Meyer, M., & Estable, A. (2004). Improving accuracy of transcripts in qualitative research. *Qualitative Health Research*, 14(1), 113-123.
- Malhotra, K. (2000). NGOs without aid: Beyond the global soup kitchen. *Third World Quarterly*, 21(4), 655-668.
- Manji, F., & O'Coill, C. (2002). The missionary position: NGOs and development in Africa. *International Affairs*, 78(3), 567-583.
- Mason, M. (2010). Sample size and saturation in PhD studies using qualitative interviews. *Forum: Qualitative Social Research*, 11(3), 1-13.
- Matejskova, T. (2014). Deep situationality: Interstitial spaces and limits of identity in ethnographies of politics of immigrant integration. *Migration Studies*, 2(1), 16-35
- Maxwell, J.A. (2012). *A realist approach to qualitative research*. Thousand Oaks: Sage Publications.
- Maxwell, J. A., & Mittapalli, K. (2010). Realism as a stance for mixed methods research. In Tashakkori, A., & Teddlie, C. *SAGE Handbook of Mixed Methods in Social & Behavioural Research*. Thousand Oaks: SAGE Publications. Pp. 145-168.



- Mawdsley, E. (2017). National interests and the paradox of foreign aid under austerity: Conservative governments and the domestic politics of international development since 2010. *The Geographical Journal*, 183(3), 223-232.
- Mawdsley, E., Savage, L., & Kim, S. M. (2014). A 'post-aid world'? Paradigm shift in foreign aid and development cooperation at the 2011 Busan High Level Forum. *The Geographical Journal*, 180(1), 27-38.
- Mawdsley, E. (2012). *From recipients to donors: Emerging powers and the changing development landscape*. London: Zed Books Ltd.
- Mayer, W. J., Wang, H. C., Egginton, J. F., & Flint, H. S. (2014). The impact of revenue diversification on expected revenue and volatility for nonprofit organizations. *Nonprofit and Voluntary Sector Quarterly*, 43(2), 374-392.
- McEvoy, P., & Richards, D. (2006). A critical realist rationale for using a combination of quantitative and qualitative methods. *Journal of Research in Nursing*, 11(1), 66-78.
- McKay, A., & Osei-Assibey, E. (2017). Inequality and poverty in Ghana. In Aryeetey, E., & Kanbur, R. (Eds.). *The economy of Ghana sixty years after independence*. Oxford: Oxford University Press. Pp. 279-297.
- Meyer, M., Buber, R., & Aghamanoukjan, A. (2013). In search of legitimacy: Managerialism and legitimation in civil society organizations. *Voluntas: International Journal of Voluntary and Nonprofit Organizations*, 24(1), 167-193.
- Meyer, J. W., & Rowan, B. (1977). Institutionalized organizations: Formal structure as myth and ceremony. *American Journal of Sociology*, 83(2), 340-363.
- Miles, R. E., & Snow, C. C. (2003). *Organizational strategy, structure, and process*. California: Stanford University Press.
- Milliken, F. J. (1987). Three types of perceived uncertainty about the environment: State, effect, and response uncertainty. *Academy of Management Review*, 12(1), 133-143.
- Ministry of Finance and Economic Planning (MOFEP). (2010). Draft Ghana aid policy and strategy: 2011-2015: Towards middle-income status (Phase One). Accra, Ghana.
- Ministry of Finance and Economic Planning (MOFEP). (2014). Ghana's sovereign bond oversubscribed. Online: <http://www.mofep.gov.gh/?q=press-release/260713>. (Accessed: 14<sup>th</sup> March 2016).
- Mitchell, G. E., & Stroup, S. S. (2017). The reputations of NGOs: Peer evaluations of effectiveness. *The Review of International Organizations*, 12(3), 397-419.
- Mitchell, G. E. (2014). Strategic responses to resource dependence among transnational NGOs registered in the United States. *Voluntas: International Journal of Voluntary and Nonprofit Organizations*, 25(1), 67-91.
- Mitlin, D., Hickey, S., & Bebbington, A. (2007). Reclaiming development? NGOs and the challenge of alternatives. *World Development*, 35(10), 1699-1720.

Modell, S. (2009). In defence of triangulation: A critical realist approach to mixed methods research in Management Accounting. *Management Accounting Research*, 20(3), 208-221.

Morfit, N. S. (2011). "AIDS is money": How donor preferences reconfigure local realities. *World Development*, 39(1), 64-76.

Moss, T., & Majerowicz, S. (2012). No longer poor: Ghana's new income status and implications of graduation from IDA. Working Paper 300, Centre for Global Development. Online: <http://www.cgdev.org/content/publications/detail/1426321>. (Accessed: 26<sup>th</sup> April 2015).

Moss, T., & B Leo (2011). IDA at 65: Heading toward retirement or a fragile lease on life? Working Paper No. 246, Center for Global Development. <https://www.cgdev.org/publication/ida-65-heading-toward-retirement-or-fragile-lease-life-working-paper-246>. (Accessed: 26<sup>th</sup> April 2015).

National Development Planning Commission (NDPC) and United Nations Development Programme (UNDP) (2015). *Ghana Millennium Development Goals: 2015 Report*. Accra: NDPC.

Natsios, A. (2010). The Clash of the Counter-bureaucracy and Development. Centre for Global Development: Washington, D.C. Online: <https://www.cgdev.org/publication/clash-counter-bureaucracy-and-development>. (Accessed: 15<sup>th</sup> March 2017).

Narayan, K. (1993). How native is a "native" anthropologist?. *American Anthropologist*, 95(3), 671-686.

North, D. C. (1990). *Institutions, institutional change and economic performance*. Cambridge: Cambridge University Press.

Nyendu, M. (2017). Fighting the cancer of corruption and "hostage-taking" in the district assemblies in Ghana. *Journal of Asian and African Studies*, 52(2), 217-231.

Obeng, S. K., & Sakyi, D. (2017). Explaining the growth of government spending in Ghana. *The Journal of Developing Areas*, 51(1), 103-128.

OECD (2017a). Creditor Reporting System. Online: <https://stats.oecd.org/Index.aspx?DataSetCode=CRS1>. (Accessed: January 17 2017).

OECD (2017b). Development aid at a glance: Statistics by region, Africa. Online: <http://www.oecd.org/countries/ghana/aid-at-a-glance.htm>. (Accessed: 17<sup>th</sup> March 2017).

Oliver, C. (1992). The antecedents of deinstitutionalization. *Organization Studies*, 13(4), 563-588.

Oliver, C. (1991). Strategic responses to institutional processes. *Academy of Management Review*, 16(1), 145-179.

Oliver, C. (1990). Determinants of interorganizational relationships: Integration and future directions. *Academy of management Review*, 15(2), 241-265.

Olivier de Sardan, J. P. (2005). *Anthropology and development: Understanding contemporary social change*. London: Zed Books.

Onwuegbuzie, A. J., & Collins, K. M. (2007). A typology of mixed methods sampling designs in social science research. *Qualitative Report*, 12(2), 281-316.

- Onwuegbuzie, A. J., & Leech, N. L. (2005). On becoming a pragmatic researcher: The importance of combining quantitative and qualitative research methodologies. *International Journal of Social Research Methodology*, 8(5), 375-387.
- Opoku, D. K. (2010). From a 'success' story to a highly indebted poor country: Ghana and neoliberal reforms. *Journal of Contemporary African Studies*, 28(2), 155-175.
- Osei, G. (2017). Self-help without the self: Critique of non-governmental organizational approaches to rural development in Ghana. *International Social Work*, 60(2), 494-506.
- Overseas Development Institute (ODI). The politics of the results agenda in DFID 1997-2017. London: ODI. Online: <https://www.odi.org/publications/10902-politics-results-agenda-dfid-1997-2017>. (Accessed: 24<sup>th</sup> September 2017).
- Pache, A. C., & Santos, F. (2013). Inside the hybrid organization: Selective coupling as a response to competing institutional logics. *Academy of Management Journal*, 56(4), 972-1001.
- Pallas, C., Anderson, Q., & Sidel, M. (2017). Defining the scope of aid reduction and its challenges for civil society organizations: Laying the foundation for new theory. *Voluntas: International Journal of Voluntary and Nonprofit Organizations*, 1-25. DOI 10.1007/s11266-017-9891-8.
- Pallas, C. L. (2017). Inverting the boomerang: Examining the legitimacy of North-South-North campaigns in transnational advocacy. *Global Networks*, 17(2), 281-299.
- Pallas, C., & Nguyen, L. (2017). Donor withdrawal and the future of civil society in Vietnam: Problems and solutions from the HIV/AIDS sector. *Development Policy Review*, 18(1), 131-151.
- Parks, T. (2008). The rise and fall of donor funding for advocacy NGOs: Understanding the impact. *Development in Practice*, 18(2), 213-222.
- Pawson, R. (2013). *The science of evaluation: A realist manifesto*. London: Sage Publications.
- Pfeffer, J., & Salancik, G. R. (2003). *The external control of organizations: A resource dependence perspective*. California: Stanford University Press.
- Pfeffer, J., & Salancik, G. R. (1978). *The external control of organizations: A resource dependence perspective*. New York: Harper and Row.
- Pousadela, I. M., & Cruz, A. (2016). The sustainability of Latin American CSOs: Historical patterns and new funding sources. *Development in Practice*, 26(5), 606-618.
- Porter, G. (2003). NGOs and poverty reduction in a globalizing world: Perspectives from Ghana. *Progress in Development Studies*, 3(2), 131-145.
- Powers, M. (2016). NGO publicity and reinforcing path dependencies: Explaining the persistence of media-centered publicity strategies. *The International Journal of Press/Politics*, 21(4), 490-507.
- Quartey, P., Owusu-Brown, B., & Ebo-Turkson, F. (2017). Monetary policy and inflation management in Ghana: Inflation targeting and outcomes. In Aryeetey, E., & Kanbur, R. (Eds.). *The economy of Ghana sixty years after independence*. Oxford: Oxford University Press. Pp. 88-102.
- Quartey, P., Ackah, C., Dufe, G., & Agyare-Boakye, E. (2010). Evaluation of the implementation of The Paris Declaration on Aid Effectiveness: Phase II. Ghana country report final report. Accra, Ghana.

- Raaijmakers, A. G., Vermeulen, P. A., Meeus, M. T., & Zietsma, C. (2015). I need time! Exploring pathways to compliance under institutional complexity. *Academy of Management Journal*, 58(1), 85-110.
- Reith, S. (2010). Money, power, and donor–NGO partnerships. *Development in Practice*, 20(3), 446-455.
- Ritchie, J., Lewis, J. (Ed). (2012). *Qualitative research practice: A guide for social science students and researchers*. London: Sage Publications.
- Ritchie, W. J., Kolodinsky, R. W., & Eastwood, K. (2007). Does executive intuition matter? An empirical analysis of its relationship with non-profit organization financial performance. *Non-profit and Voluntary Sector Quarterly*, 36(1), 140–155.
- Rogelberg, S. G., & Stanton, J. M. (2007). Introduction understanding and dealing with organizational survey nonresponse. *Organizational Research Methods*, 10(2), 195-209.
- Royal African Society (2017). Ghana's president Nana Akufo-Addo calls for an Africa beyond aid. Online: <http://www.royalafricansociety.org/analysis/ghanas-president-nana-akufo-addo-calls-africa-beyond-aid> (Accessed: 23<sup>rd</sup> November 2017).
- Salamon, L. M., & Anheier, H. K. (1992). In search of the non-profit sector: The question of definitions. *Voluntas: International Journal of Voluntary and Nonprofit Organizations*, 3(2), 125-151.
- Sayer, A. (2000). *Realism and Social Science*. London: Sage Publications.
- Sayer, A. (1992). *Method in social science: A realist approach* (2<sup>nd</sup> Ed). London: Routledge.
- Schmidt, V. A. (2010). Taking ideas and discourse seriously: Explaining change through discursive institutionalism as the fourth ‘new institutionalism’. *European Political Science Review*, 2(1), 1-25.
- Scott, W. R. (1995). *Institutions and organizations*. Thousand Oaks: Sage Publications.
- Sender, J., & Smith, S. (1986). *The development of capitalism in Africa*. London: Routledge.
- Seo, M. G., & Creed, W. D. (2002). Institutional contradictions, praxis, and institutional change: A dialectical perspective. *Academy of Management Review*, 27(2), 222-247.
- Shapiro, B., & Matson, D. (2008). Strategies of resistance to internal control regulation. *Accounting, Organizations and Society*, 33(2), 199-228.
- Smillie, I., & Hailey, J. (2001). *Managing for Change: Leadership, strategy and management in Asian NGOs*. London: Earthscan.
- Smith, D. J. (2010). Corruption, NGOs, and development in Nigeria. *Third World Quarterly*, 31(2), 243-258.
- Spradley, J. P. (2016). *The ethnographic interview*. Long Grove, Illinois: Waveland Press.
- Suárez, D., & Gugerty, M. K. (2016). Funding civil society? Bilateral government support for development NGOs. *Voluntas: International Journal of Voluntary and Nonprofit Organizations*, 27(6), 2617-2640.

- Suchman, M. C. (1995). Managing legitimacy: Strategic and institutional approaches. *Academy of Management Review*, 20(3), 571-610.
- Teddlie, C., & Tashakkori, A. (2009). *Foundations of mixed methods research: Integrating quantitative and qualitative approaches in the social and behavioural sciences*. Thousand Oaks: Sage Publications.
- Thompson, J. D. (1967). *Organizations in action: Social science bases of administrative theory*. Brunswick, New Jersey: Transaction publishers.
- Townsend, J. G., Porter, G., & Mawdsley, E. (2004). Creating spaces of resistance: Development NGOs and their clients in Ghana, India and Mexico. *Antipode*, 36(5), 871-889.
- Tvedt, T. (1998). *Angels of Mercy or State-Financed Development Diplomats? NGOs and Foreign Aid*. Oxford: James Curry Limited.
- Union of International Associations (UIA). (2014). Historical overview of number of international organizations by type. Online: [https://www.uia.org/sites/uia.org/files/misc\\_pdfs/stats/historical\\_overview\\_of\\_number\\_of\\_international\\_organizations\\_by\\_type\\_1909-2013.pdf](https://www.uia.org/sites/uia.org/files/misc_pdfs/stats/historical_overview_of_number_of_international_organizations_by_type_1909-2013.pdf). (Accessed: 17<sup>th</sup> March 2015).
- United Nations (2005). Ghana- United Nations. Department of Peacekeeping Operations. Cartographic Section Map No. 4186 Rev 3. Online: <http://www.un.org/Depts/Cartographic/map/profile/ghana.pdf>. (Accessed: 12<sup>th</sup> May 2015).
- United Nations Development Programme (UNDP). (2016). Human development report 2016. Human development for everyone. Online: <http://hdr.undp.org/en/2016-report/download>. (Accessed: 14<sup>th</sup> April 2017).
- United Nations Development Programme (UNDP). (2015). Human development report 2015. Work for human development. Online: <http://report.hdr.undp.org/>. (Accessed: 14<sup>th</sup> February 2016).
- Uvin, P., Jain, P. S., & Brown, L. D. (2000). Think large and act small: Toward a new paradigm for NGO scaling up. *World Development*, 28(8), 1409-1419.
- Vakil, A. C. (1997). Confronting the classification problem: Toward a taxonomy of NGOs. *World Development*, 25(12), 2057-2070.
- Van der Heijden, H. (1987). The reconciliation of NGO autonomy, program integrity and operational effectiveness with accountability to donors. *World Development*, 15(1), 103-112.
- Wallace, T., Bornstein, L., & Chapman, J. (2006). *The aid chain: Coercion and commitment in development NGOs*. Rugby: Intermediate Technology Publications Limited.
- Walton, O. (2017). Beyond disaster framing: Exploring multi-mandate INGOs' representations of conflict. *Third World Quarterly*, 1-19. DOI: 10.1080/01436597.2017.1350097
- Walton, O. E., Davies, T., Thrandardottir, E., & Keating, V. C. (2016). Understanding contemporary challenges to INGO legitimacy: Integrating top-down and bottom-up perspectives. *Voluntas: International Journal of Voluntary and Nonprofit Organizations*, 27(6), 2764-2786.
- Walton, O. (2013). 'Everything is politics': Understanding the political dimensions of NGO legitimacy in conflict-affected and transitional contexts. Bath Papers in International Development and Wellbeing, No. 22. Online: <http://www.bath.ac.uk/cds/publications/index.html#id22>. (Accessed: 26<sup>th</sup> June 2016).

- Wood, J. (2016). Unintended consequences: DAC governments and shrinking civil society space in Kenya. *Development in Practice*, 26(5), 532-543.
- Wood, G. (2003). Staying secure, staying poor: the “Faustian Bargain”. *World Development*, 31(3), 455-471.
- Yarrow, T. (2011). *Development beyond politics: Aid, activism and NGOs in Ghana*. Basingstoke: Palgrave Macmillan.
- Yin, R. K. (2014). *Case study research: Design and methods* (5<sup>th</sup> Ed.). Thousand Oaks: Sage Publications.
- Younger, S. D. (1992). Aid and the Dutch disease: Macroeconomic management when everybody loves you. *World Development*, 20(11), 1587-1597.
- Zachariadis, M., Scott, S., & Barrett, M. (2013). Methodological implications of critical realism for mixed-methods research. *MIS Quarterly*, 37(3), 855-879.
- Zeith, A.O. (2015). A new politics of aid? The changing international political economy of development assistance. The Ghanaian case. The Global Economic Governance Working Paper 2015/104. Oxford: University of Oxford.

## Appendices

### Appendix 1: Information sheet and questionnaire



Mr. Emmanuel Kumi  
Department of Social and Policy Sciences  
University of Bath  
Bath, BA2 7AY, United Kingdom

#### Information sheet for participants

##### **The Response of Ghanaian Non-Government Development Organisations (NGDOs) to a Changing Aid Landscape.**

This study examines the response of Ghanaian non-governmental development organisations (NGDOs) to a changing development aid landscape. This research explores how NGDOs frame their response to an uncertain operating environment in terms of donor funding and relationship with other stakeholders. In addition, the study is interested in examining the factors that constrain or promote NGDOs' ability to secure alternative sources of income.

Your organisation is invited to participate in this study by answering a questionnaire to help us gain insight from your experience. Your participation will contribute towards a better understanding of how Ghanaian NGDOs are responding to changes in their operating environment. Information provided will be used for academic purposes as a partial fulfilment for the attainment of my PhD degree. Findings may also be discussed and published with the wider research community through conferences, journal articles and books. There are no benefits attached to the completion of this questionnaire, however your organisation will be acknowledged in the final thesis.

Your participation is voluntary and you are free to withdraw from the study at any time. In addition, you are free not to complete any questions you do not wish to answer. Information provided will be strictly confidential and will not be disclosed or shared with third parties without your permission. In addition, it will be stored safely. I will also be happy to share research findings with your organisation. This research has received ethical approval from the University, according to the procedures specified by the University Social Sciences Ethics Committee.

In case you have further questions or need clarifications about researcher's identity or participant's confidentiality and rights, please feel free to contact the following: Professor James Copestake (PhD Supervisor), Department of Social and Policy Sciences, University of Bath. Email: [j.g.copestake@bath.ac.uk](mailto:j.g.copestake@bath.ac.uk). Telephone: +44 (0) 1225 38 3859. In Ghana, you may contact Dr. Akosua K. Darkwah, Centre for Gender Studies and Advocacy, University of Ghana, P.O. Box LG 57, Legon, Accra, Ghana, Email: [keseboa@ug.edu.gh](mailto:keseboa@ug.edu.gh) or Dr. Louis Boakye-Yiadom, Department of Economics, University of Ghana, P.O. Box LG 57, Legon, Accra, Ghana, Email: [lboakye-yiadom@ug.edu.gh](mailto:lboakye-yiadom@ug.edu.gh)

Thank you for taking time to read this information leaflet.



## CONSENT STATEMENT

You are making a decision whether or not to participate in this study. Your signature indicates that having read the attached Information Sheet, you understand the purpose of the study, your responsibilities, agree to all arrangements in the Information Sheet and have received copies of the Information Sheet and Consent form. You have therefore decided to take part in this study.

.....

Name of NGO

.....

Name of person taking consent

.....

Signature

.....

Signature of Researcher

.....

Date of signing consent



## Survey Questionnaire on the Response of Ghanaian Non-Governmental Development Organisations to a Changing Aid Landscape

### GENERAL INFORMATION ABOUT THE ORGANISATION

<b>Name of representative filling the questionnaire</b>	
<b>Position in organisation and contact details</b>	
<b>Name of the NGO</b>	
<b>Acronym of the NGO</b>	
<b>Sector (s) of operation</b> Please tick <b>ALL</b> that apply.	(a) Health [    ]    (b) Education [    ] (c) Agriculture [    ]    (d) Other, please specify.....
<b>Region(s) of operation</b>	(a) Nation-wide [    ]    (b) Upper West Region [    ] (c) Northern Region [    ]    (d) Greater Accra Region [    ] (e) Other, please specify.....
<b>District (s) of operation</b>	(a) 1-5 Districts [    ]    (b) 6-10 Districts [    ] (c) 11-15 Districts [    ]    (d) 16-20 Districts [    ] (e) Above 20 Districts [    ]

### LEGAL AND INSTITUTIONAL REQUIREMENTS

<b>Q1. In which year was your organisation established?</b>	
<b>Q2a. Is the organisation legally registered?</b>	(a) Yes [    ]    Please answer Q2b    (b) No [    ]    Skip to Q5.
<b>Q2b. If Yes, which of the following applies to your organisation?</b>	(a) Legally registered with a certificate [    ]    (b) Legally registered but without a certificate [    ]
<b>Q3. When was your organisation registered?</b>	
<b>Q4. Which of the following government institutions have you legally registered your organisation with? Please tick <b>ALL</b> that apply.</b>	(a) Registrar General's Department [    ]    (b) Department of Social Welfare [    ] (c) Metropolitan/Municipal/ District Assembly [    ]    (d) NGO Desk in Parliament [    ] (e) Other, please specify.....

<b>Q5. If your organisation is not registered, which of the following reasons account for that?</b> Please tick <b>ALL</b> that apply.	(a) The registration process is cumbersome [    ] (b) The NGO is newly established. We will register later [    ] (c) There is no information on the registration process [    ] (d) The organisation does not meet the requirements for registration [    ] (e) The registration is not important [    ] (f) Other, please specify.....
<b>Q6a. Does your organisation have a certificate for operation?</b>	(a) Yes [    ]    (b) No [    ]
<b>Q6b. If YES, when was the last time you renewed your certificate?</b>	
<b>Q7a. Have you ever submitted your annual financial report to the Department of Social Welfare?</b>	(a) Yes [    ]    Please answer Q7b.    (b) No [    ]    Skip to Q9
<b>Q7b. If YES, when did you submit the report?</b>	
<b>Q18a. Is the financial report available to the public?</b>	(a) Yes [    ]    (b) No [    ]
<b>Q8b. If YES, how do you publish it?</b>	(a) Through NGO website [    ] (b) Through NGO hard copy publications [    ] (c) Upon request from individuals [    ] (d) Other, please specify.....
<b>Q9. If NO, why are you not submitting the report?</b>	

#### HUMAN RESOURCES, STRUCTURE AND GOVERNANCE

Q10a. What is the number of current staff of your organisation	Male	Female	Total
<b>How many of them are:</b>			
Full time paid employees			
Part time paid employees			
National Service Personnel			
Interns			

International Volunteers			
Community Volunteers			
<b>Q10b. How many of your staff has a University Degree?</b>			
<b>11a. Does your organisation have departments?</b>	(a) Yes [     ]	(b) No [     ]	
<b>11b. If YES, what are the departments?</b>			
<b>11c. If NO, what do you have?</b>			
<b>Q12a. Do you have a senior management team?</b>	(a) Yes [     ] Please answer Q12b	(b) No [     ] Skip to Q13	
<b>Q12b. If YES, how many people constitute the management team?</b>	(a) 2 [     ] (c) 4 [     ] (e) Above 5 [     ]	(b) 3 [     ] (d) 5 [     ]	
<b>Q13. If No, what is the main decision making body of your organisation?</b>			
<b>Q14a. Does your organisation have board of directors?</b>	(a) Yes [     ] Please answer Q14b	(b) No [     ] Skip to Q17	
<b>Q14b. How many members constitute the board of directors?</b>	(a) 2 [     ] (c) 4 [     ] (e) Above 5 [     ]	(b) 3 [     ] (d) 5 [     ]	
<b>Q15a. How are the board of directors appointed?</b>	(a) They are appointed solely by the Executive Director/President/Founder [     ] (b) They are appointed in consultation with stakeholders [     ] (c) They apply for vacant positions [     ] (d) They are elected [     ] (e) Other, please specify..... .....		
<b>Q15b. What are the functions of the board of directors?</b>	(a) For advisory and decision-making purposes [     ] (b) For efficient management, accountability and transparency purposes [     ] (c) For fulfilling government regulatory requirements [     ] (d) For fulfilling donor funding requirements [     ] (e) Other, please specify.....		

<b>Q16. How often do they hold meetings?</b>	Monthly	Quarterly	Semi-annually	Annually	Biannual	During Emergency	Other
<b>Q17. What is your organisational mission?</b>							
<b>Q18. What is your organisational vision?</b>							
<b>Q19. What factors influence decision-making process in your organisation?</b>	<b>Please rate the following factors in order of importance 1= Not important; 3= moderately important; 5= Extremely important.</b>						
Organisational mission	1 [    ]		3 [    ]			5[    ]	
Organisational values	1 [    ]		3 [    ]			5[    ]	
Organisational leadership	1 [    ]		3 [    ]			5[    ]	
Recommendations of the board of directors	1 [    ]		3 [    ]			5[    ]	
Community needs	1 [    ]		3 [    ]			5[    ]	
Donor requirements for funding	1 [    ]		3 [    ]			5[    ]	
Organisational strategies	1 [    ]		3 [    ]			5[    ]	
Collective decision between NGOs and donors	1 [    ]		3 [    ]			5[    ]	
<b>Q20. List the THREE most important challenges facing your organisation?</b>							

#### FINANCIAL INFORMATION/SOURCES OF FUNDING

<b>Q21a. Approximately what were the total operational budgets (in GH¢) of your organisation for the following financial years?</b>						
<b>Total Annual Budget in GH¢*</b>	<b>Years</b>					
	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
Less than GH¢ 20,000						
GH¢ 20,000- GH¢ 49,000						
GH¢50,000 - GH¢99,000						
GH¢100,000 - GH¢ 149,000						

GH¢150,000 - GH¢ 199,000						
Above GH¢ 200,000						
<b>Q21b. How many organisations did you receive financial support from between 2014/2015 financial year?</b>	(a) None [    ]	(b) 1 [    ]	(c) 2 [    ]	(d) 3 [    ]	(e) 4 [    ]	(f) 5 [    ]
Q21c. If No, why do you not receive any support from other organisations?						

\* Please attach copies of accounts and annual reports if available.

<b>Q22a. Please list the sources of financial (income) and non-financial support for your organisation for the following years? Tick all that apply</b>	
<b>Year</b>	<b>Sources of support</b>
2010	(a) External grants and donations [    ]      (b) Earned income [    ] (c) Government funding and support [    ]      (d) Corporate funding [    ] (e) Individual donations [    ]      (f) Other source, please specify.....
2011	(a) External grants and donations [    ]      (b) Earned income [    ] (c) Government funding and support [    ]      (d) Corporate funding [    ] (e) Individual donations [    ]      (f) Other source, please specify.....
2012	(a) External grants and donations [    ]      (b) Earned income [    ] (c) Government funding and support [    ]      (d) Corporate funding [    ] (e) Individual donations [    ]      (f) Other source, please specify.....
2013	(a) External grants and donations [    ]      (b) Earned income [    ] (c) Government funding and support [    ]      (d) Corporate funding [    ] (e) Individual donations [    ]      (f) Other source, please specify.....
2014	(a) External grants and donations [    ]      (b) Earned income [    ] (c) Government funding and support [    ]      (d) Corporate funding [    ] (e) Individual donations [    ]      (f) Other source, please specify.....
2015	(a) External grants and donations [    ]      (b) Earned income [    ] (c) Government funding and support [    ]      (d) Corporate funding [    ] (e) Individual donations [    ]      (f) Other source, please specify.....
<b>Q22b. What is your expectation of the following sources of funding for the next two-three years</b>	

Sources of funding	Increase	Stay the same	Decrease	Don't Know	Not Applicable
External grants and donations	[     ]	[     ]	[     ]	[     ]	[     ]
Earned income	[     ]	[     ]	[     ]	[     ]	[     ]
Government funding and support	[     ]	[     ]	[     ]	[     ]	[     ]
Corporate funding	[     ]	[     ]	[     ]	[     ]	[     ]
Individual donations	[     ]	[     ]	[     ]	[     ]	[     ]
Other source, please specify	[     ]	[     ]	[     ]	[     ]	[     ]
<b>Q23a. How would you describe your organisational financial situation</b>	(a) Stable [     ]		(b) Precarious [     ]		
	(c) Surviving [     ]		(d) Thriving [     ]		
	(e) Sustainable [     ]		(f) Other source, please specify.....		
<b>Q23b. Have there been any changes in your organisation's sources of income over the last five years?</b>	(a) Yes [     ]	(b) No [     ]			
<b>Q23c. If YES, list the THREE most important sources of change?</b>					
<b>Q24a. Are there any new sources of income for your organisation in the last five years?</b>	(a) Yes [     ]	(b) No [     ]			
<b>Q24b. What are these new sources?</b>					
<b>Q25a. Are there new sources of income you have heard of but do not have funding from?</b>	(a) Yes [     ]	(b) No [     ]			
<b>Q25b. If Yes, what are these sources?</b>					
<b>Q26a. Are there any important sources of funding that have disappeared completely in the last five years?</b>	(a) Yes [     ]	(b) No [     ]			
<b>Q26b. Are there any potential sources of income you anticipate for your organisation in the next three years?</b>	(a) Yes [     ]	(b) No [     ]			
<b>Q27. If Yes, what are these sources?</b>					
<b>Q28. List THREE factors that constrain your ability to seek for funding.</b>					



<b>Q36. Which of the organisations do you support?</b> (Please choose all applicable)	(a) Local NGOs [     ]                      (b) Community-Based Organisations (CBOs) [     ] (c) Both local NGOs, CBOs/ Associations [     ]                      (d) Other specify.....		
<b>Q37. What are the reasons why you choose to fund and support the activities of organisations in general?</b>	Please rate the following factors in order of importance <b>1= Not important; 3= Moderately important; 5= Extremely important.</b>		
Achieve shared goals	1 [     ]	3 [     ]	5 [     ]
Joint learning and understanding	1 [     ]	3 [     ]	5 [     ]
Strengthen our presence in communities	1 [     ]	3 [     ]	5 [     ]
Establish relationship with other organisations	1 [     ]	3 [     ]	5 [     ]
Increase capacity	1 [     ]	3 [     ]	5 [     ]
Promote specialist skills	1 [     ]	3 [     ]	5 [     ]
Other, specify	1 [     ]	3 [     ]	5 [     ]

#### ORGANISATIONAL RELATIONSHIP WITH STAKEHOLDERS

What forms of cooperation currently exist between your organisation and your top five stakeholders/ partners?							
	YES						
Name of stakeholder/ Partner	Financial support	Technical support/ Capacity Building	Joint proposal writing	Partnership	Other, specify		
1.							
2.							
3.							
4.							
5.							
<b>Q39. On a scale of 1-5, how would you score your relationship with your top five stakeholders/partners?</b>	<b>1 = Terrible and 5= Excellent</b>						
Name of stakeholder/ partner	1-5	1-5	1-5	1-5	1-5	1-5	1-5
1.							
2.							



3.							
4.							
5.							
<b>Q40. List the THREE most important changes that have occurred in your relationship with stakeholders.</b>							
<b>Q41. Is your organisation a member of any NGO umbrella organisation?</b>	(a) Yes [     ]     Please answer Q42 (b) No [     ]     Skip to 44						
<b>Q42. Which umbrella organisation(s) does your organisation belong?</b>	(a) Ghana Association of Private Voluntary Organizations in Development (GAPVOD) [     ] (b) Ghana Coalition of NGOs in Health [     ] (c) Northern Network for Education Development (NNED) [     ] (d) Ghana National Education Campaign Coalition (GNECC) [     ] (e) Ghana HIV and AIDS Network (GHANET) [     ] (f) Other, please specify.....						
<b>Q43. What are the reasons for joining umbrella organisations?</b>	(a) For transparency, accountability, credibility and legitimacy purposes [     ] (b) As a requirement for accessing donor funding (quality and professionalism) [     ] (c) To get technical and training support from member organisations [     ] (d) To build public trust [     ] (e) To promote shared identity, better collaboration and enhanced performance [     ] (f) To share information on good practices among member organisations [     ] (g) Other, please specify.....						
<b>Q44. Explain the reasons for not joining an umbrella organisation.</b>							
<b>Q45. What do you think are the challenges facing NGOs in this district? TICK ALL THAT APPLY.</b>	(a) Dwindling sources of funding from donors and corporate institutions [     ] (b) Changing donor priorities and programmes [     ] (c) Competition between foreign and local NGOs for donor funding [     ] (d) Difficulty of hiring and retaining qualified staff [     ] (d) Government bureaucracy [     ] (e) Others, please specify.....						

**Thank you for your contribution to this study on the response of Ghanaian NGDOS to a changing aid landscape.**

Appendix 2: Summary profile of sampled 32 NNGDOs

<b>NNGDO Name</b>	<b>Year established</b>	<b>Region (s) of operation</b>	<b>Core focus area</b>	<b>Number of paid staff</b>	<b>NNGDO funding</b>	<b>Description of financial situation**</b>
NNGDO 1	2008	Greater Accra, Eastern, Volta and Brong-Ahafo	Promotion of quality basic education through technology	5	Receives multiple funding from external donors, engage in income generating activities	Precarious
NNGDO 2	1995	Greater Accra, Eastern, Central, Volta and Brong-Ahafo	Women's health education and empowerment	10	Used to receive multiple donor funding but currently has no external donor funding; Established a social enterprise and relies more on individual and corporate donations; Social enterprise and income generating activities	Surviving
NNGDO 3	2002	Greater Accra, Eastern, Western, Central, Volta, Ashanti, Brong-Ahafo, Northern	Gender-based advocacy with focus on the promotion of health , education and women's economic empowerment	85	Funded 90% by 26 donors; Contracted by the Ministry of Health and the Ghana AIDS Commission, planning to engage in income generating activities	Surviving
NNGDO 4	2004	Northern, Upper East, Ashanti, Brong-Ahafo, Volta, Eastern, Central, Greater Accra and Western	Promotion of right-based approach to health (maternal , child, reproductive)	8	Funded 80% by external donors through multiple INGOS; contract by the Ministry of Health, engage in consultancy services, planning to establish a social enterprise	Surviving
NNGDO 5	2001	Greater Accra, Eastern and Brong Ahafo	Focus on agriculture and climate change education	6	Funded solely by UN Agencies, income generating activities through consultancy, relies on corporate and individual donations	Precarious
NNGDO 6	2001	Greater Accra, Western, Central, Volta	Focus on the promotion of health , education and women's economic empowerment in various communities	23	Funded 60% through external donors, secure corporate funding to implement corporate social responsibility, secure government contract, engage in income generating activities	Thriving

NNGDO 7	1993	Upper West, Northern, Greater Accra, Volta, Western, Brong-Ahafo, Ashanti	Focus on the promoting educational and health facilities in communities in addition to economic empowerment	7	Depend largely on external donor funding, generate income through consultancy, publication and ICT training	Precarious
NNGDO 8	1987	Northern, Upper West, Upper East, Brong-Ahafo, Ashanti, Volta, Western, Central, Eastern and Greater Accra	Health, education, governance, Extractive industry	23	Highly donor dependent, engage in consultancy and subgrant to other NNGDOs	Sustainable
NNGDO 9	2004	Greater Accra	Health Education in communities in the Greater Accra Region	4	Donations from board of directors, reliance on community volunteers, External donor funding, contracted by the Ghana AIDs Commission and the Ministry of Health	Precarious
NNGDO 10	2006	Greater Accra	Basic education, empowering and advocating for persons with disability.	6	Income generating activities, donations from individuals and corporate organisations, external donor funding	Thriving
NNGDO 11	1992	Greater Accra, Northern, Central	Policy advocacy in education, agriculture and health sectors	5	Funded by 4 main international donors, engage in consultancy services	Surviving
NNGDO 12	2005	Northern, Upper West and Upper East	Health, Education, Agriculture and Child rights	15	Funded 80% by external donors; engage in income generating activity through consultancy; transport business and hiring of office space, donations from individual and corporate organisations	Surviving
NNGDO 13	2008	Northern	An advocacy organisation in health, education agriculture, youth and women's empowerment	6	Funded mainly through consultancy and bilateral donor and INGOs	Surviving

NNGDO 14	1996	Northern	Focus on assisting communities in the area of agriculture, health, environmental management and governance	5	Initially had 5 external donors supporting the organisation but currently relies on only one INGO through partnership	Precarious
NNGDO 15	2003	Northern	Agriculture and food security	10	Funded 90% by external donors; engage in income generating activities through microcredit scheme, relies on individual donations	Surviving
NNGDO 16	2002	Northern and Upper East	Gender-based advocacy organisation with a focus on women empowerment and SRHR interventions.	12	Funded 90% through more than 20 external donors including bilateral, multilateral and INGOs, engage in microcredit and financial services, planning to establish social enterprise to train youth and women.	Sustainable
NNGDO 17	1986	Northern	Focus on education, agriculture and local governance with the aim of empowering communities to hold duty bearers to account	33	Initially funded 100% by one bilateral donor but now seeking other sources of funding through microcredit, vocational training centre and consultancy services	Thriving
NGDO 18	2005	Northern	Focus on agriculture, health, education, governance and women's empowerment	7	International donors, consultancy in capacity building, agro processing and microcredit	Thriving
NNGDO 19	1997	Northern	Focus on health and governance with particular emphasis on advocacy against witch camp and catering for the need of the elderly	5	Initially had funding from external donors but currently has no donor support, relies on individual donations, community volunteers, engage in farming and rearing of livestock	Precarious
NNGDO 20	2002	Northern, Upper West and Upper East	Focus on health, education, food security, water, sanitation and Hygiene	8	Relies mainly on INGOs through partnerships, engage in income generating activities in microcredit, consultancy and social enterprise in commercial agriculture	Precarious

NNGDO 21	2006	Northern, Upper West, Upper East, Greater Accra and Ashanti	Health and Governance	12	Relies mainly on external donor funding and individual or corporate donations	Surviving
NNGDO 22	2001	Northern	Focused on enhancing the quality of life for poor and marginalised through interventions in health, education, governance and livelihoods	15	International donors, local NGOs, District Assemblies, corporate and individual donations, microcredit schemes and consultancy	Thriving
NNGDO 23	2009	Northern	Health, Education and Agriculture	4	Contributions from board of directors, individual donations, INGOs and consultancy	Precarious
NNGDO 24	1995	Northern, Upper West and Upper East	Basic Education	31	Funded 90% by one bilateral donor but currently exploring other sources including consultancy	Thriving
NNGDO 25	2008	Northern	Basic and Secondary Education, Women's empowerment	5	Depend on external donor funding, social enterprise and individual donations	Surviving
NNGDO 26	2007	Northern	Youth empowerment, health, education and agriculture	10	Depend largely on external donor funding, local NGOs and income generating activities	Precarious
NNGDO 27	2002	Northern	Health, education, agriculture and livelihood empowerment	14	Depend 85% on external donor funding; income generating activities	Surviving
NNGDO 28	2009	Northern, Upper West, Upper East and Volta	Health, education, agriculture, youth, gender and social exclusion	18	Mainly through external donors, social enterprise, individual donations	Surviving
NNGDO 29	2008	Northern, Upper West and Upper East	Health, education, agriculture and human rights focusing on the prevention of early child marriage and offering support to women accused of witchcraft.	10	Depend mainly on external donors and contributions from board members	Precarious

NNGDO 30	2004	Northern and Upper West	Health, Education, Agriculture, Governance	12	Funded mainly through INGO, contributions from Executive Director and engagement in consultancy and microcredit.	Thriving
NNGDO 31	2005	Upper West and Northern	Health, Education, Agriculture and Local Governance	6	Funded mainly through external donors; social enterprise, consultancy and multiple donations from individuals and corporate organisations.	Surviving
NNGDO 32	1992	Northern and Upper West	Health, Education, Agriculture and food security, Water, Sanitation and Hygiene	12	Donor grants, consultancy, social enterprise, individual and corporate donations	Thriving

\*\* Description of NNGDOs financial situation was based on self-reported information from the survey questionnaire. I define precarious NNGDOs as those at the verge of collapsing because they are currently not implementing any project and have no expectation of funding. Surviving NNGDOs are mainly project-based and do not have independent funds of their own. Their viability and survival is highly dependent on donor funding. Thriving NNGDOs are those that have moved away from surviving by implementing mechanisms that will make the sustainable. On the other hand, sustainable NGDOs are those that are able to mobilise resources to achieve their mission over time by meeting the needs of all stakeholders while ensuring their own independence, viability and survival.

Appendix 3: List of respondents and interview schedule

No.	Name of NGO	Designation	Date of Interview	Duration of Interview
1.	NNGDO 1	Executive Director	17-3-2016	1:50:58
2.	NNGDO 2	Programmes Manager	1-4-2016	55:43
3.	NNGDO 3	Programmes Manager Executive Director Field Officer	4-4-2016 5-4-2016 14-4-2016	1:45:32 1:12:5 1:24:48
4.	NNGDO 4	Head of Research	3-3-2016 15-4-2016	1:39:49 1:20:12
5.	NNGDO 5	Executive Director	6-4-2016	1:46:15
6.	NNGDO 6	Executive Director	6-5-2016	1:31:16
7.	NNGDO 7	Programmes Manager	30-5-2016	1:44:03
8.	NNGDO 8	Director, Finance and Administration	2-6-2016	1:50:41
9.	NNGDO 9	Executive Director	4-5-2016	1:07:20
10.	NNGDO 10	Executive Director	3-3-2016	1:59:03
11.	NNGDO 11	Executive Director	6-6-2016	1:44:34
12.	NNGDO 12	Executive Director Executive Director	9-4-2016 18-4-2016	1:42:18 1:06:12
13.	NNGDO 13	Executive Director	19-4-2016	1:14:14
14.	NNGDO 14	Executive Director Programmes Manager	25-3-2016 20-4-2016	1:20:01 52:32
15.	NNGDO 15	Executive Director	20-4-2016	1:35:13
16.	NNGDO 16	Programmes Director	23-3-2016	1:08:15

17	NNGDO 17	Programmes Director Field Officer	22-4-2016 23-4-2016	1:18:48 1:17:38
18	NNGDO 18	Executive Director Executive Director	22-4-2016 28-4-2016	1:40:03 1:23:29
19.	NNGDO 19	Executive Director	25-4-2016	2:18:20
20.	NNGDO 20	Executive Director Project Officer	26-4-2016 14-5-2016	1:29:49 1:45:15
21.	NNGDO 21	Programmes Manager	26-4-2016	1:07:45
22.	NNGDO 22	Executive Director Executive Director	22-4-2016 26-4-2016	1:17:28 2:03:53
23.	NNGDO 23	Executive Director	27-4-2016	1:14:14
24.	NNGDO 24	Programmes Manager Field Officer	28-4-2016 29-4-2016	1:13:37 1:41:42
25.	NNGDO 25	Executive Director	29-4-2016	1:49:57
26.	NNGDO 26	Programmes Manager	31-4-2016	1:05:02
27.	NNGDO 27	Executive Director Executive Director	22-3-2016 29-4-2016	1:18:52 1:33:06
28.	NNGDO 28	Executive Director	29-4-2016	1:03:26
29.	NNGDO 29	Programmes Director	16-5-2016	1:22:24
30.	NNGDO 30	Executive Director	26-5-2016	1:24:44
31.	NNGDO 31	Executive Director	23-4-2016	2:03:39
32.	NNGDO 32	Executive Director	17-3-2016	1:45:09
<b>INTERVIEW WITH DONOR REPRESENTATIVES</b>				
	Donor 1	Senior Programme Officer	18-1-2016	1:43:33
	Donor 2	Programmes Director Head of Programmes	21-4-2016 1-6-2016	43:33 1:17:46
	Donor 3	Senior Programme Manager	15-2-2016	1:10:30
	Donor 4	Programme Officer	27-3-2016	1:25:32
	Donor 5	Grants Manager Fund Raising Specialist	2-2-2016 15-5-2016	52:12 53:23
	Donor 6	Project Coordinator	18-4-2016	1:28:22



	Donor 7	Country Director	28-4-2016	1:31:19
	Donor 8	Finance Manager	10-6-2016	44:52
	BUSAC	Grants Manager	26-5-2016	30:02:46
	<b>KEY INFORMANT INTERVIEWS</b>			
	West African Civil Society Institute	Head of Research	2-4-2016	1:53:33
		Head of Capacity Development	12-5-2016	1:20:36
	Consultant 1	Resource Mobilisation Specialist	27-3-2016	59:45
	Consultant 2	Grants Acquisition Specialist	21-3-2016	1:07:38
	Ghana Coalition of NGOs in Health	National Chairman	22-3-2016	1:23:30
		Greater Accra Regional Chairman	7-9-2015	2:40:00
	Northern Network for Educational Development	Network Coordinator	16-8-2015	56:03
	Kasa Initiative Ghana	Network Coordinator	16-3-2016	1:07:43
	Coalition for Development of Western Corridor of Northern Ghana	Network Coordinator	23-4-2016	1:45:07
	Department of Social Welfare	Northern Regional Director	3-9-2015	1:05:16
		National Director	19-2-2016	45:02
	Ministry of Finance	Budget Analyst	11-5-2016	50:45
		Economic Planning Officer	17-5-2016	46:15
	Corporate Foundation	Sustainability and Impact Manager	2-6-2016	1:11:55
	University of Ghana	Department of Sociology	19-8-2015	1:45:15
		Department of Economics	25-8-2015	1:05:19
	NGDO Leaders	Executive Director, Tamale	21-8-2015	1:40:00
		Executive Director, Tamale	24-8-2015	1:00:00
		Executive Director, Wa	28-8-2015	2:03:16
		Executive Director, Accra	10-8-2015	1:10:05
	Integrated Social Development Centre (ISODEC)	Policy Analyst	6-9-2015	40:06:18

## Appendix 4: Interview guide for NNGDO leaders



Dept of Social and Policy Sciences  
Bath BA2 7AY • United Kingdom  
Telephone 01225 383859  
E-mail: j.g.copestake@bath.ac.uk

TO WHOM IT MAY CONCERN

1 March 2016

Dear Sir or Madam,

**DOCTORAL RESEARCH INTO FUNDING FOR NON-GOVERNMENT DEVELOPMENT  
ORGANISATIONS (NGDOs) IN GHANA**

This letter is to introduce you to **Emmanuel Kumi**, who is registered at the University of Bath as a doctoral student. His research seeks to explore the behaviour and response of NGOs in Ghana to changing patterns of aid and development funding.

Whatever help and information you can offer him during his field research will be very much appreciated. Mr Kumi has received ethical clearance for his research within the University, including a commitment to protecting the anonymity of respondents should they at any time request it. Data used will also be kept confidential and used only for academic purposes.

Don't hesitate to contact me should you require any further information.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'James Copestake'.

James Copestake  
Professor of International Development (and PhD Supervisor)

Mr. Emmanuel Kumi  
Department of Social and Policy  
Sciences, University of Bath  
Bath, BA2 7AY, United Kingdom

The Executive Director  
NGDO 1  
Accra, Ghana

8<sup>th</sup> March 2016.

Dear Sir,

**FOLLOW UP FOR PARTICIPATION IN IN-DEPTH QUALITATIVE RESEARCH**

I write to request for your participation in an in-depth interview on “Response of Ghanaian Non-Governmental Development Organisations to a Changing Aid Landscape” between March and July 2016.

Your organisation has been selected as one of the NGOs for this qualitative research because you indicated in an earlier survey I conducted in October 2015 that you are putting measures to diversify your sources of funding as well as employing a number of strategies to ensure your organisational sustainability.

The interview will mainly cover these topics: Resource mobilisation strategies and challenges, NGOs’ strategic responses and its impact on governance and institutional structure of the organisation, organisational relationship with stakeholders, the history of how the organisation was established and the role of NGO leaders and fieldworkers.

Your participation in this research will contribute towards a better understanding of how Ghanaian NGOs are responding to changes in their operating environment in terms of funding and its effects on their organisation. The information provided will not only be used for academic purposes as a partial fulfilment for the attainment of my PhD degree but will also be shared with other organisations and the wider research community through conferences, workshops and publication of research findings in journal articles and books. In return to your participation, I am happy to share the research findings with your organisation.

In case you have further questions or need clarifications about my identity or participant’s confidentiality and rights, please feel free to contact Professor James Copestake (PhD Supervisor), Department of Social and Policy Sciences, University of Bath. Email: [j.g.copestake@bath.ac.uk](mailto:j.g.copestake@bath.ac.uk). Telephone: +44 (0) 1225 38 3859. You can also contact Dr. Akosua K. Darkwah, Centre for Gender Studies and Advocacy, University of Ghana, P.O. Box LG 57, Legon, Accra, Ghana, Email: [keseboa@ug.edu.gh](mailto:keseboa@ug.edu.gh).

I thank you in advance for your kind consideration of the above request.

Yours faithfully,  
Emmanuel Kumi

## INTERVIEW GUIDE OR SCHEDULE FOR NGO LEADERS

### Introduction

The following questions serve as a guide for engaging NGDO leaders towards a better understanding of the research study on the response of Ghanaian NGDOs to a changing aid landscape. Information provided will be strictly confidential and will not be disclosed or shared with third parties without your permission as indicated in the consent form.

### Resource Mobilisation Strategies and Challenges

1. What are the major sources of funding for your organisation? How do you identify, approach and select these sources of funding?
2. To what extent has funding been a major challenge for your organisation? If so, in what specific ways?
3. What has been the trend in the inflow of funding for this organisation for the past five years?
4. In the last five years, how would you describe your organisational financial situations? Stable, surviving, thriving or sustainable? Could you please explain your answer?
5. How will you describe the availability of domestic and foreign funding for your organisation?
6. Comparing domestic funding and support and external donor funding which one is more sustainable for your organisation? Explain the choice of your answer?
7. Apart from donor funding, do you know of any other alternative sources of income for your organisation? If so, what are they? What are the factors that might promote or constrain your ability to seek for alternative sources of funding?
8. Do you seek for domestic funding and support for your organisation? If Yes, what are they?
9. To what extent does domestic funding and support serve as an alternative resource mobilisation for your organisation?
10. Do you have an established resource mobilisation department or a fund raising officer in charge of seeking for domestic resources?
11. Do you engage in commercial or income generating activities? If so, what are they and the rationale behind?
12. Do you think commercial activities or income generating activities can be an alternative and a viable source of funding for your organisation? If Yes, why?
13. Do you think your engagement in commercial or income-generating activities will affect your organisational vision goals and mission?
14. What are the challenges facing this organisation in your attempt to engage in commercial activities or income generating activities?
15. What mechanisms are you putting in place to ensure the sustainability of your commercial activities?
16. Have you ever tried seeking for private sector funding? Were you successful or not? What factors accounted for this?
17. Do you think your organisation has the necessary requirements (e.g. human and financial resources) to increase your engagement with private sector funding?
18. Do you expect your engagement with private sector funding to increase, remain the same or decline in the next coming years? If Yes, Why do you say so?
19. To what extent are income from internally generated activities (IGA) and private sector funding different from donor or government funding? Which of these is easier to raise, has more flexibility and is more sustainable?
20. Do you think the environment within which you operate have any influence on your ability to mobilise domestic resources?
21. To what extent does your organisational mission, capacity, identity and visibility affect your ability to mobilise domestic resources?
22. What challenges does your organisation face in its attempt to mobilise resources to support your activities? By way of management, how do you address this challenge?

### **NGDOs external environment: Donor funding modalities and relationship**

23. Do you seek funding from foreign donor agencies to support your activities? What are these sources?
24. Who are the main external donors for your organisation? What form of support do they provide?
25. What specific form of funding do you receive? Is it project funding, core funding or both? How would you describe the availability of core funding for this organisation?
26. Over the last five years, has there been a donor that has stopped providing project and core funding to support your activities? What were the reasons given?
27. Do you think the reduction or stoppage of project and core funding affect your organisation and its growth? If so, in what specific ways? If not explain the choice of your answer
28. What is management doing to ensure that you become sustainable when there is no core funding?
29. What accounts for NGOs operating in different thematic areas or shifting their focus? Do you have experience of that? What are its effects on NGOs?
30. What is your perspective on donor-pooled funding mechanism for NGOs and CSOs in Ghana?
31. How would you describe your relationship with your donors?
32. Can you please describe how you developed relationship with these donors, for how long and has the relationship changed over the years? If yes, what accounted for the change?
33. How do you describe the impact of donor agencies on the operations of NGOs in Ghana?
34. To what extent are donor agencies helping NGOs to become more independent and self-sustainable in their operation? What accounts for this?
35. To what extent has Ghana's attainment of a lower-middle-income country status affected the inflows of funding into this organisation? What are its implications for your organisation?

### **NGDOs Agency and strategies for survival**

36. How diversified are the sources of funding for your organisation? To what extent do you think funding diversification is important for your organisation?
37. What are the different diversification strategies used by your organisation? What are its importance?
38. How does your organisational brand and visibility affect your ability to get resources?
39. What mechanisms or strategies are you putting in place to ensure that your organisation maintains its brand and visibility in its ever-changing environment? Please outline and give example of how these strategies affect the operations of your organisation?
40. How do you respond to changes in your operating environment?
41. What specific strategies do you use in responding to these changes? What are key factors that influence your decision to adopt these strategies?
42. What are the rationale behind the strategies you adopt?
43. Who are the key actors within the organisation that shape the decision to adopt such strategies and how do you arrive at a collective decision?
44. Do you take into account the effects such strategies will have on your operations when adopting them?
45. Who do you think are the major stakeholders of your organisation? How would you describe your relationship with these stakeholders?
46. How would you describe the current operating environment of NGOs in Ghana?
47. Do you collaborate with other NGOs to implement projects? Who are these?
48. What relationship exist between your organisation and other NGOs? What are the benefits of collaboration to your NGO?
49. From your perspective, what are the practical lessons you would like to share with Ghanaian NGOs in their attempt to remain sustainable in their changing operating environment.

Mr. Emmanuel Kumi  
Department of Social and Policy Sciences  
University of Bath  
Bath, BA2 7AY, United Kingdom

### **Information sheet for Donor Agencies**

#### **The Response of Ghanaian Non-Government Development Organisations (NGDOs) to a Changing Aid Landscape.**

This study examines the response of Ghanaian non-governmental development organisations (NGDOs) to a changing development aid landscape. This research explores how NGDOs frame their response to an uncertain operating environment in terms of donor funding and relationship with other stakeholders. In addition, the study is interested in examining the factors that constrain or promote NGDOs' ability to secure alternative sources of income.

Your organisation is invited to participate in this study through an interview to help is gain insight from your experience as a donor agency (an organisation that provides funding to support the activities and projects of NGOs in Ghana). Your participation will contribute towards a better understanding of how Ghanaian NGDOs are responding to changes in their operating environment. Information provided will be used for academic purposes as a partial fulfilment for the attainment of my PhD degree. Findings may also be discussed and published with the wider research community through conferences, journal articles and books. There are no benefits attached to the completion of this questionnaire, however your organisation will be acknowledged in the final thesis.

Your participation is voluntary and you are free to withdraw from the study at any time. In addition, you are free not to answer any questions you do not wish to answer. Information provided will be strictly confidential and will not be disclosed or shared with third parties without your permission. In addition, it will be stored safely. I will also be happy to share research findings with your organisation. This research has received ethical approval from the University, according to the procedures specified by the University Social Sciences Ethics Committee. In case you have further questions or need clarifications about researcher's identity or participant's confidentiality and rights, please feel free to contact the following: Professor James Copestake (PhD Supervisor), Department of Social and Policy Sciences, University of Bath. Email: [j.g.copestake@bath.ac.uk](mailto:j.g.copestake@bath.ac.uk). Telephone: +44 (0) 1225 38 3859. In Ghana, you may contact Dr. Akosua K. Darkwah, Centre for Gender Studies and Advocacy, University of Ghana, P.O. Box LG 57, Legon, Accra, Ghana, Email: [keseboa@ug.edu.gh](mailto:keseboa@ug.edu.gh) or Dr. Louis Boakye-Yiadom, Department of Economics, University of Ghana, P.O. Box LG 57, Legon, Accra, Ghana, Email: [lboakye-yiadom@ug.edu.gh](mailto:lboakye-yiadom@ug.edu.gh)

Thank you for taking time to read this information leaflet.

## INTERVIEW GUIDE FOR DONOR Representatives

### Introduction

The following questions serve as a guide for engaging donor agencies towards a better understanding of the research study on the response of Ghanaian NGOs to a changing aid landscape. Information provided will be strictly confidential and will not be disclosed or shared with third parties without your permission as indicated in the consent form.

1. What are some of the projects or programmes of local NGOs funded by your organisation within the last five years?
2. How much funding has your organisation disbursed to local NGOs within the last five years?
3. How do you call for funding proposals from local NGOs?
4. On an average, how many project proposals do you receive when there is a call for funding? How many of them are approved?
5. What are the selection criteria for funding the activities of local NGOs?
6. Are there differences in the selection criteria for smaller and new and bigger and old NGOs?
7. How do you ensure that the selection criteria for funding is fair to both smaller and bigger NGOs?
8. How do you address the perceived discrimination against small and new NGOs in relation to funding application?
9. What mechanisms are there in your organisation to provide feedback on funding proposals to local NGOs?
10. Do you allocate funds towards NGOs self-sustaining activities? If Yes, how much and what are the conditions attached?
11. How does your organisation ensure that local NGOs become sustainable and self-reliant in order to reduce their dependence on you as a donor?
12. As a donor, what do you think are the strategic responses employed by local NGOs to ensure their sustainability? Are there differences between smaller and bigger NGOs?
13. Are there conditions attached to funding the activities of local NGOs? If Yes, what are these conditions?
14. How does these conditionalities affect the strategic responses of NGOs to resource diversification?
15. To what extent does donor conditionalities affects NGOs ability to resource diversification?
16. Do you think local NGOs respond innovately and creatively to donor conditions? What facilitates these creative responses?
17. How would you describe your relationship with local NGOs? Does this relationship affect the ability of NGOs to diversify their sources of funding and operations?
18. Do you think that there has been a change in your funding and priority areas over the last five years? If Yes, what are the changes?
19. What are the factors responsible for such changes in funding and priority areas?
20. Do you inform and consult local NGOs when there is a change in your funding and priority areas? If Yes, are these changes negotiable?
21. How does a change in your funding and priority areas affect the activities of NGOs?
22. How does NGOs alliance, network or consortium influence your decision to fund their project? What is the rationale behind this?
23. What is the rationale behind alliance or partnership formation among NGOs as part of your application requirements?
24. To what extent does Ghana becoming a lower middle income affect the support you give to NGOs and CSOs in Ghana?

**Letter to NGO Networks and Key Informants**

Mr. Emmanuel Kumi  
Department of Social and Policy  
Sciences  
University of Bath  
Bath, BA2 7AY, United Kingdom

Address of Network/ Key Informant

Dear Sir,

**REQUEST FOR PARTICIPATION IN NGO RESEARCH**

I write to request for your participation in a research study ‘‘Response of Ghanaian Non-Governmental Development Organisations to a Changing Aid Landscape’’. I am a PhD student in Social and Policy Sciences at the University of Bath, United Kingdom. My research aim is to explore the strategic responses employed by Ghanaian NGOs in ensuring their survival and sustainability. In order to realise this aim, I am seeking for your cooperation in this research by participating in a key informant interview.

The interview will mainly cover these topics: Resource mobilisation strategies and challenges, NGOs’ strategic responses and its impact on governance and institutional structure of the organisation, organisational relationship with stakeholders. You have been selected as key one of the key informants for this research because of your expertise and role played in the networking and coalition building aspect of NGOs operating in the health sector in Ghana.

Your participation in this research will contribute towards a better understanding of how Ghanaian NGOs are responding to changes in their operating environment in terms of funding and its effects on their organisation. The information provided will not only be used for academic purposes as a partial fulfilment for the attainment of my PhD degree but will also be shared with other organisations and the wider research community through conferences, workshops and publication of research findings in journal articles and books. In return to your participation, I am happy to share the research findings with your organisation.

In case you have further questions or need clarifications about my identity or participant’s confidentiality and rights, please feel free to contact Professor James Copestake (PhD Supervisor), Department of Social and Policy Sciences, University of Bath. Email: [j.g.copestake@bath.ac.uk](mailto:j.g.copestake@bath.ac.uk). Telephone: +44 (0) 1225 38 3859. You can also contact Dr. Akosua K. Darkwah, Centre for Gender Studies and Advocacy, University of Ghana, P.O. Box LG 57, Legon, Accra, Ghana, Email: [keseboa@ug.edu.gh](mailto:keseboa@ug.edu.gh).

I thank you in advance for your kind consideration of the above request.

Yours faithfully,

Emmanuel Kumi



## **INTERVIEW GUIDE OR SCHEDULE FOR NGO COALITION/ NETWORKS**

1. Could you please give a brief background of the Coalition/Network?
2. What is the rationale behind the formation of this Coalition?
3. What are the main goals and objectives of this Coalition?
4. What is the total membership of this coalition and the requirements for joining this coalition?
5. Is it compulsory for all NGOs operating in this sector to be members of the coalition? Are individuals allowed to join this Coalition/Network?
6. How do you regulate the activities of your member organisation?
7. What is the function of the coalition secretariat and the lead or focal agencies in the various regions?
8. What are the major sources of funding for the Coalition?
9. To what extent is the coalition secretariat able to secure funding (core and project) for its members?
10. Describe the process involved in securing funding for the Coalition/Network members? Please outline and give example of funding/ programmes that have been secured by the Coalition?
11. How do you select members to implement projects or grants secured by the Coalition/Network?
12. Does the coalition secretariat implement projects on its own? If Yes, what is the rationale behind?
13. How would you describe the financial situation of the Coalition?
14. Has the coalition experienced any changes in its sources of funding over the last five years? If Yes, what factors accounts for this?
15. How does the Coalition ensure that its members are able to maintain their financial and operational sustainability?
16. What strategic responses is the Coalition advocating to its members in order for them to be more independent and self-sustainable in their operation?
17. How would you describe inter-organisational relationship and information sharing among members of the Coalition/Network?
18. How would you describe the operating environment of NGOs in this sector?
19. How do you engage stakeholders in your operating environment?
20. What are the major challenges facing the Coalition/Network?

Mr. Emmanuel Kumi  
Department of Social and Policy  
Sciences  
University of Bath  
Bath, BA2 7AY, United Kingdom

National Headquarters  
Department of Social Welfare  
Accra- Ghana

Dear Sir,

**REQUEST FOR PARTICIPATION IN A RESEARCH STUDY ON  
NON-GOVERNMENTAL ORGANISATIONS (NGOs) IN GHANA**

I write to request for your participation in a research study “Response of Ghanaian Non-Governmental Development Organisations to a Changing Aid Landscape”. I am a PhD student in Social and Policy Sciences at the University of Bath, United Kingdom. My research aim is to explore the strategic responses employed by Ghanaian NGOs in seeking funding.

In order to realise this aim, I am seeking for your cooperation in this research by participating in a key informant interview. The interview will mainly cover these topics: Classification of NGOs in Ghana, NGO registration process, database of Ghanaian NGOs, regulatory framework for NGOs and requirement for establishing a social enterprise as an NGO.

You have been selected as key one of the key informants for this research because of your expertise and role played in the registration and regulatory process of NGOs operating in Ghana. Your participation in this research will contribute towards a better understanding of how Ghanaian NGOs are responding to changes in their operating environment. The information provided will not only be used for academic purposes as a partial fulfilment for the attainment of my PhD degree but will also be shared with other organisations and the wider research community through conferences, workshops and publication of research findings in journal articles and books. In return to your participation, I am happy to share the research findings with your organisation.

In case you have further questions or need clarifications about my identity or participant’s confidentiality and rights, please feel free to contact Professor James Copestake (PhD Supervisor), Department of Social and Policy Sciences, University of Bath. Email: j.g.copestake@bath.ac.uk. Telephone: +44 (0) 1225 38 3859.

I thank you in advance for your kind consideration of the above request.

Yours faithfully,  
Emmanuel Kumi

## **INTERVIEW GUIDE FOR OFFICIALS AT THE DEPARTMENT OF SOCIAL WELFARE**

1. What is the definition of an NGO in Ghana?
2. Which categories of NGOs operate in Ghana? What is the difference between Civil Society Organisations (CSOs), NGOs and Community-Based Organisations (CBOs).
3. How does the DSW classify NGOs in Ghana? What is the rationale behind the classification and why is it that there is no distinction between national NGOs?
4. Do you have an updated database of all NGOs operating in Ghana?
5. How many NGOs are currently operating in the country? What is the regional breakdown in terms of NGO numbers?
6. What are the requirements for operating an NGO in Ghana?
7. Please kindly describe the registration process for operating an NGO in Ghana? Do NGOs register permanently or temporary?
8. Is there a difference in the registration process for International and Local NGOs?
9. How long does it take for an NGO to get a certificate of recognition from the DSW?
10. Why do you ask NGOs to renew their certificate? What are the requirements for certificate renewal?
11. What do you do to ensure that registered NGOs without a valid certificate are not in operation? Do you de-register non-compliance NGOs in Ghana?
12. What are the monitoring mechanisms used by the DSW to ensure NGOs compliance with government regulations?
13. Are NGOs allowed to undertake commercial activities as they are registered as non-profit organisations?
14. What are the requirements for an NGO that wants to undertake commercial activities or a social enterprise?
15. What does your agency do to NGOs that operate or undertake commercial activities without proper documentation?
16. What type of taxes do NGOs engaging in commercial activities pay? Do these NGOs get government support in the form of tax exemption or subsidies?
17. What challenges does your agency face in its attempt to monitor and regulate the activities of NGOs in Ghana?
18. How will you describe the operating environment of NGOs in Ghana?

## **INTERVIEW GUIDE OR SCHEDULE FOR CORPORATE ORGANISATIONS**

1. What are some of the projects or programmes of local NGOs funded by your organisation within the last five years?
2. How much funding has your organisation disbursed to local NGOs within the last five years as part of your Corporate Social Responsibility? How do you call for funding proposals from local NGOs?
3. On an average, how many project proposals do you receive when there is a call for funding? How many of them are approved?
4. What are the selection criteria for funding the activities of local NGOs?
5. How will you describe your relationship with NGOs?
6. Do you engage with NGOs when implementing your Corporate Social Responsibility?
7. What factors account for your limited engagement with local NGOs in Ghana?
8. What accounts for your organisation's preference to fund directly programmes and projects and not use the services of NGOs?
9. Do you involve stakeholders in the planning and implementation of your programmes and projects?
10. To what extent are your community programmes and projects sustainable?
11. What account for your organisation preference to fund one-off projects rather than long-terms community development projects?
12. How does the absence of a regulatory framework in terms of incentives affect your ability to support local NGOs?
13. How would you describe the business environment in Ghana and what are its implications on your Corporate Social Responsibility
14. What is your perception about NGOs complain that they submit proposals and do not get feedbacks from the organisation. Others also complain of stolen ideas by foundations without their knowledge?
15. How do you ensure that the selection criteria for funding is fair to both smaller and bigger NGOs?
16. How do you address the perceived discrimination against small and new NGOs in relation to funding application?
17. What mechanisms are there in your organisation to provide feedback on funding proposals to local NGOs?
18. Do you allocate funds towards NGOs self-sustaining activities? If Yes, how much and what are the conditions attached?
19. How does your organisation ensure that local NGOs become sustainable and self-reliant in order to reduce their dependence on traditional donors?
20. As a donor, what do you think are the strategic responses employed by local NGOs to ensure their sustainability? Are there differences between smaller and bigger NGOs?
21. Are there conditions attached to funding the activities of local NGOs? If Yes, what are these conditions?
22. How does these conditionalities affect the strategic responses of NGOs to resource diversification?
23. To what extent does donor conditionalities affects NGOs ability to resource diversification?
24. Do you think local NGOs respond innovately and creatively to donor conditions? What facilitates these creative responses?
25. How would you describe your relationship with local NGOs? Does this relationship affect the ability of NGOs to diversify their sources of funding and operations?
26. Do you think that there has been a change in your funding and priority areas over the last five years? If Yes, what are the changes?

27. What are the factors responsible for such changes in funding and priority areas?
28. Do you inform and consult local NGOs when there is a change in your funding and priority areas? If Yes, are these changes negotiable?
29. How does a change in your funding and priority areas affect the activities of NGOs?
30. How does NGOs alliance, network or consortium influence your decision to fund their project?  
What is the rationale behind this?

## Appendix 8: Income mobility matrix for NNGDOs

### NNGDO budgets and income mobility matrix

NNGDOs' size was measured by average annual income. Results on annual average income were self-reported given that respondents were unwilling to disclose data on their financial information (budget and expenditure). Faced with the challenge of non-disclosure, I relied on income bands within which NNGDOs annual average budget fell. Respondents indicated from six income bands within which their budget fell between 2010 and 2015 in a survey. This was considered the appropriate way given the non-disclosure of financial information.

Although 16 out of the 59 NNGDOs reported publishing their annual financial report upon request from individuals, this was always not the case. Many reported that their financial reports and annual budgets were given to their donors rather than the public. For this reason, it would have been ideal to use the actual budget but I am unable to do so. To this end, I used an income mobility matrix to account for how NNGDOs' income level had changed between 2010 and 2015. In doing so, I adjusted for inflation between 2010 and 2015. Data on NNGDOs' annual budget was collected in 2015/2016 financial year.

#### Inflation adjustments to income bands

	2010	2011	2012	2013	2014	2015
<b>(a) Inflation rates</b>						
Consumer Price Index (CPI)	341.8	371.1	404.0			
			100.0	116.6	136.5	160.5
Reported rate%	8.5	8.5	8.8	13.5	17.0	17.7
Calculated rate%		108.5	108.8	116.6	117.0	117.5
Linked index (2012=100)	84.6	91.8	100.0	116.6	136.5	160.5
Rebased index (2015=100)	52.7	57.2	62.3	72.6	85.0	100.0
<b>(b) Inflation adjusted band boundaries</b>						
	GHC	GHC	GHC	GHC	GHC	GHC
Boundary of categories 1 to 2	37,938	34,940	32,100	27,530	23,516	20,000
Boundary of categories 2 to 3	94,845	87,350	80,250	68,825	58,791	50,000
Boundary of categories 3 to 4	189,691	174,701	160,500	137,650	117,582	100,000
Boundary of categories 4 to 5	284,536	262,051	240,750	206,475	176,374	150,000
Boundary of categories 5 to 6	379,382	349,402	321,000	275,300	235,165	200,000

<b>(c) Equivalent categories in real terms (2011 compared to 2015 in GHC)</b>						
	2011 Lower	2011 Upper	2011 Category	2015 lower	2015 upper	2015 category
		20,000	1		34,940	1, 2
	20,000	50,000	2	34,940	87,350	2, 3
	50,000	100,000	3	87,350	174,701	3, 4, 5
	100,000	150,000	4	174,701	262,051	5, 6
	150,000	200,000	5	262,051	349,402	6
	200,000		6	349,402		6

### Income mobility matrix for NNGDOs<sup>17</sup>

NNGDO/Year	2010	2011	2012	2013	2014	2015	Median 2010-12	Median 2013-15	Shift category
N10	1	1	1	1	1	1	1	1	11
N14	1	1	1	1	1	1	1	1	11
N37	1	1	1	1	1	1	1	1	11
N58	1	1	1	1	1	1	1	1	11
N21	1	1	1	1	2	2	1	2	12
N39	1	1	1	2	2	3	1	2	12
N42	1	1	1	2	2	3	1	2	12
N2	1	2	1	2	3	1	1	2	12
N4	1	1	2	2	3	2	1	2	12
N30	1	2	1	3	3	4	1	3	13
N16	1	1	2	2	3	3	1	3	13
N23	1	1	3	3	3	2	1	3	13
N44	2	2	2	3	1	1	2	1	21
N51	1	2	2	2	2	2	2	2	22
N52	1	2	2	2	3	4	2	3	23
N5	2	2	3	3	3	3	2	3	23
N27	1	2	3	4	4	6	2	4	24
N43	1	2	3	3	4	5	2	4	24
N47	3	3	3	3	2	2	3	2	32
N13	1	3	3	3	3	2	3	3	33
N46	3	3	4	5	3	2	3	3	33
N31	3	3	4	3	4	3	3	3	33
N49	2	3	3	4	4	4	3	4	34
N53	2	3	4	4	4	6	3	4	34
N3	3	3	4	4	5	4	3	4	34
N57	1	3	3	4	5	5	3	5	35
N38	3	3	3	4	5	6	3	5	35
N6	1	3	6	6	6	5	3	6	36
N12	4	4	1	1	3	1	4	1	41
N26	2	4	5	6	5	5	4	5	45
N45	4	4	4	5	4	5	4	5	45
N48	4	4	4	4	5	5	4	5	45
N33	4	4	5	5	5	5	4	5	45
N41	4	4	3	3	6	6	4	6	46
N32	3	4	6	4	6	6	4	6	46
N25	4	4	5	5	6	6	4	6	46
N36	4	4	5	5	6	6	4	6	46
N54	6	5	4	2	2	3	5	2	52
N11	1	5	5	1	6	5	5	5	55
N19	4	5	5	6	5	4	5	5	55
N20	4	5	5	6	5	4	5	5	55
N22	4	5	6	6	6	6	5	6	56
N56	5	5	6	6	6	6	5	6	56
N34	2	6	6	6	6	6	6	6	66
N29	4	6	6	6	6	5	6	6	66
N1	5	6	6	6	6	6	6	6	66

<sup>17</sup> The income mobility matrix has been adjusted for inflation. The adjusted income categories were used in creating the shift category between 2010 and 2015. The data presented is based on income at current prices for each year within the five income bands measured in GHC for NNGDOs.

N7	5	6	6	6	6	6	6	6	<b>66</b>
N8	6	6	6	6	6	6	6	6	<b>66</b>
N9	6	6	6	6	6	6	6	6	<b>66</b>
N15	6	6	6	6	6	6	6	6	<b>66</b>
N17	6	6	6	6	6	6	6	6	<b>66</b>
N18	6	6	6	6	6	6	6	6	<b>66</b>
N28	6	6	6	6	6	6	6	6	<b>66</b>
N35	6	6	6	6	6	6	6	6	<b>66</b>
N40	6	6	6	6	6	6	6	6	<b>66</b>
N50	6	6	6	6	6	6	6	6	<b>66</b>
N55	6	6	6	6	6	6	6	6	<b>66</b>
N24	6	6	6	6	6	6	6	6	<b>66</b>
N59	6	6	6	6	6	6	6	6	<b>66</b>

---



Appendix 9: Sources of funding for sampled NNGDOs

Categories of donors	Name of funder
<b>Bilateral Donor Agencies</b>	<ul style="list-style-type: none"> <li>▪ Agence Française de Développement (AFD)</li> <li>▪ Austrian Development Agency</li> <li>▪ Australian Agency for International Development (AUSAID)</li> <li>▪ Canadian International Development Agency (CIDA)</li> <li>▪ Danish International Development Agency (DANIDA)</li> <li>▪ Department for International Development (DFID)</li> <li>▪ Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)</li> <li>▪ Falkland Islands Development Corporation (FIDC)</li> <li>▪ Flanders Department of Foreign Affairs</li> <li>▪ Japan International Cooperation Agency (JICA)</li> <li>▪ Norwegian Agency for Development Cooperation (NORAD)</li> <li>▪ United States Agency for International Development (USAID)</li> </ul>
<b>Multilateral Donor Agencies</b>	<ul style="list-style-type: none"> <li>▪ European Union (EU)</li> <li>▪ Islamic Development Bank</li> <li>▪ World Bank</li> </ul>
<b>United Nations Agencies</b>	<ul style="list-style-type: none"> <li>▪ Food and Agricultural Organisation (FAO)</li> <li>▪ United Nations Educational, Scientific and Cultural Organization (UNESCO)</li> <li>▪ United Nations Environment Programme (UNEP)</li> <li>▪ United Nations Development Programme (UNDP)</li> <li>▪ United Nations Development Fund for Women (UNIFEM)</li> <li>▪ United Nations Framework Convention on Climate Change (UNFCCC)</li> <li>▪ United Nations High Commissioner for Refugees (UNHCR)</li> <li>▪ United Nations International Children's Emergency Fund (UNICEF)</li> <li>▪ United Nations Population Fund (UNFPA)</li> <li>▪ World Food Programme (WFP)</li> </ul>
<b>International Non-Governmental Organisations (INGDOs)</b>	<ul style="list-style-type: none"> <li>▪ Action Aid-Ghana</li> <li>▪ Adventist Development Relief Agency (ADRA)</li> <li>▪ AFRIKIDS-Ghana</li> <li>▪ Amnesty International</li> <li>▪ AXIS-Denmark</li> <li>▪ Bread for the World</li> <li>▪ Catholic Organization for Relief and Development Aid (CORDAID)</li> <li>▪ Christian Children's Fund of Canada (CCFC)</li> <li>▪ Danish Church Aid</li> <li>▪ Diakonia- Sweden</li> <li>▪ Interchurch Organisation for Development Cooperation (ICCO)</li> <li>▪ Building Walls of Wisdom</li> <li>▪ CARE International, Ghana</li> <li>▪ Comic Relief</li> <li>▪ Cross Roads International</li> <li>▪ Family Health International (FHI360)</li> <li>▪ Edify</li> <li>▪ Educo- Spain</li> <li>▪ German Development Service</li> <li>▪ Girls Not Brides</li> <li>▪ Global Communities</li> <li>▪ Global Environment Fund</li> </ul>

	<ul style="list-style-type: none"> <li>▪ IBIS-Ghana</li> <li>▪ International Citizenship Service</li> <li>▪ International Service</li> <li>▪ Ipas-Ghana</li> <li>▪ Oxfam GB- Ghana</li> <li>▪ Project Abroad</li> <li>▪ Pamoja Africa</li> <li>▪ Feed the Minds</li> <li>▪ Plan International-Ghana</li> <li>▪ Planned Parenthood Association of Ghana (PPAG)</li> <li>▪ PlaNet Finance</li> <li>▪ Reaching for Change</li> <li>▪ Rights To Play-Ghana</li> <li>▪ Simavi</li> <li>▪ Self-Help Africa</li> <li>▪ SNV Ghana</li> <li>▪ Theatre4Change</li> <li>▪ Tools for Self Reliance –UK</li> <li>▪ Tree Aid Ghana</li> <li>▪ Tzedek</li> <li>▪ Voluntary Service Overseas (VSOs)</li> <li>▪ Water Aid-Ghana</li> <li>▪ Women Thrive Worldwide</li> <li>▪ World University Service of Canada (WUSC)</li> <li>▪ World Vision International- Ghana</li> <li>▪ World Women’s Day of Prayer</li> </ul>
<b>International Councils and Institutes</b>	<ul style="list-style-type: none"> <li>▪ African Youth Panel</li> <li>▪ International Council on Social Welfare (ICSW)</li> <li>▪ International Institute for Tropical Agriculture (IITA)</li> <li>▪ Alliance for Green Revolution in Africa (AGRA)</li> <li>▪ International Union for Conservation of Nature (IUCN)</li> </ul>
<b>Foundations and Charitable Trust</b>	<ul style="list-style-type: none"> <li>▪ AFC Consultants International</li> <li>▪ African Capacity Building Foundation</li> <li>▪ African Women Development Fund (AWDF)</li> <li>▪ American Contract Bridge League (ACBL)</li> <li>▪ Barnes and Noble</li> <li>▪ Big Lottery Fund</li> <li>▪ Bill and Melinda Gates Foundation</li> <li>▪ Centre for the Book</li> <li>▪ Create Change Foundation</li> <li>▪ Disability Rights Fund</li> <li>▪ Emerging Markets Foundation (EMpower)</li> <li>▪ ENI Foundation</li> <li>▪ Foundation Beyond Belief</li> <li>▪ Free the Slaves</li> <li>▪ FRIDA (The Young Feminist Fund)</li> <li>▪ Gavi Alliance</li> <li>▪ Geneva Global</li> <li>▪ Ghana Friendship Group in Denmark</li> <li>▪ Global Fund</li> <li>▪ Humanistic Service Corps</li> <li>▪ Humanity United</li> <li>▪ Human Dignity Foundation</li> <li>▪ Intel</li> <li>▪ Marselliborg Gymnasium</li> <li>▪ Making All Voices Count (MAVC)</li> </ul>

	<ul style="list-style-type: none"> <li>▪ MasterCard Foundation</li> <li>▪ McKechnie Elementary, Vancouver</li> <li>▪ Michael Essien Foundation</li> <li>▪ Natural Resource Governance Initiatives (NRGI)</li> <li>▪ New England Biolabs Foundation</li> <li>▪ Omidyar Network</li> <li>▪ Open Society Foundation</li> <li>▪ Open Society Initiative for West Africa (OSIWA)</li> <li>▪ RAVI Foundation</li> <li>▪ RFSU (The Swedish Association for Sexuality Education)</li> <li>▪ Robert Carr Fund</li> <li>▪ Rotary International</li> <li>▪ The Trull Foundation</li> <li>▪ Youth Harvest Foundation</li> <li>▪ Zochonis Charitable Trust</li> </ul>
<b>Earned Income (e.g. income generating activities and social enterprise)</b>	<ul style="list-style-type: none"> <li>▪ Agriculture (e.g. Soya Bean Production, Cassava cultivation, Bee-keeping, Buying and hiring of farm inputs like tractors to farmers), Compost making, Stock piling of agricultural produce and selling them later on the market, Rearing of livestock</li> <li>▪ Agro processing (e.g. Establishment of shea butter and cassava (gari) processing plant).</li> <li>▪ Construction Services (Latrines for households, communities and institutions, Small towns water systems, Sanitation Credit Schemes and revolving funds on sanitation, rain water harvesting)</li> <li>▪ Urban waste collection and management</li> <li>▪ Retail shop/ Charity shop (Sales of crafts, second-hand clothes and operating drinking spots).</li> <li>▪ Operation of a radio station and community information centre</li> <li>▪ Consultancy (e.g. research, capacity-building trainings, writing funding proposals for other NGOs and private organisations).</li> <li>▪ Hiring of conference centres and equipment (e.g. projectors, public address system etc.), establishment of youth centres for event organising.</li> <li>▪ Renting part of office space to other NGOs, corporate organisations and individuals for fee.</li> <li>▪ Event organising (e.g. cultural and drama troops)</li> <li>▪ Investments (e.g. Endowment Fund, Impact Investment, Social Mutual Funds)</li> <li>▪ International volunteers' fees and contributions.</li> <li>▪ Membership Dues from NGOs belonging to a network or coalition.</li> <li>▪ Profits from Microcredit/ VSLA (e.g. group or individual loan for Shea butter extraction, maize and rice cultivation etc.)</li> <li>▪ Social enterprise (e.g. Commercial Sachet Water Production; Basic Schools)</li> <li>▪ Sales for publications and training manuals and organising capacity-building programmes (e.g. books-Governance manuals, magazines, NGO reports).</li> <li>▪ Secretarial services – (e.g. operating ICT Centres, photocopy, lamination, fax, etc.).</li> <li>▪ Transportation business (e.g. Tricycle business, Heavy-duty vehicle rental).</li> </ul>

	<ul style="list-style-type: none"> <li>▪ Tourism services through the provision information on tourist sites.</li> <li>▪ Vocational training (Beads and soap making, cook stoves, hairdressing, batik, tie and dye).</li> </ul>
<b>Individual Donations</b>	<ul style="list-style-type: none"> <li>▪ Annual fund raising dinners/ Galas.</li> <li>▪ Street Fundraising/ Face-to-face fundraising.</li> <li>▪ Donation boxes at vantage places like Banks and shopping centres.</li> <li>▪ Donations from religious institutions (e.g. Churches).</li> <li>▪ Contributions from Board members or Chief Executives.</li> <li>▪ Volunteer contribution</li> </ul>
<b>Government Institutions</b>	<ul style="list-style-type: none"> <li>▪ Community Water and Sanitation Agency (CSWA)</li> <li>▪ Domestic Violence Support Unit (DVSU)</li> <li>▪ Department of Social Welfare (DSW)</li> <li>▪ Ghana Aids Commission (GAC)</li> <li>▪ Ghana Education Service (GES)</li> <li>▪ Ghana Health Service (GHS)</li> <li>▪ Legal Aid Scheme, Ghana</li> <li>▪ Microfinance and Small Loans Centre (MASLOC)</li> <li>▪ Metropolitan, Municipal and District Assemblies (MMDAs)</li> <li>▪ Ministry of Food and Agriculture (MOFA)</li> <li>▪ Ministry of Gender, Children and Social Protection</li> <li>▪ Ministry of Local Government and Rural Development (MLGRD)</li> <li>▪ National Youth Authority (NYA)</li> <li>▪ Rural Enterprise Programme (REP)</li> </ul>
<b>Global Alliances and Umbrella Organisations</b>	<ul style="list-style-type: none"> <li>▪ Africa Sex Workers Alliance</li> <li>▪ Alliance for Strengthening Education in Ghana (ASEG)</li> <li>▪ Civil Society in Development (CISU)</li> <li>▪ Ghana Anti-Corruption Coalition</li> <li>▪ Ghana - Global Alliance for Clean Cook Stoves</li> <li>▪ International Rainwater Harvesting Alliance</li> <li>▪ NGOs Coalition in Health</li> <li>▪ Northern Ghana Network for Development (NGND)</li> <li>▪ Northern Network for Educational Development</li> <li>▪ Shea Network Ghana</li> <li>▪ Water and Sanitation Network (WASNET)</li> </ul>
<b>Corporate philanthropy</b>	<ul style="list-style-type: none"> <li>▪ Banking institutions (e.g. Access Bank, Barclays, Zenith, EcoBank)</li> <li>▪ Cosmos Energy Civil Society Support</li> <li>▪ Promasidor Ghana. Limited (Cowbell)</li> <li>▪ ENI Ghana Foundation</li> <li>▪ Telecommunication Companies (e.g. MTN Foundation, TIGO, Vodafone Foundation)</li> <li>▪ Unilever Ghana Limited</li> <li>▪ Institute of Entrepreneurship and Public Speaking</li> <li>▪ International Fertilizer Development Centre (IFDC)</li> <li>▪ Market Development Programme (MADE)</li> <li>▪ Mennonite Economic Development Associates (MEDA)</li> <li>▪ WASTE (Advisors on Urban Environment and Management)</li> </ul>
<b>National NGDOs</b>	<ul style="list-style-type: none"> <li>▪ Alliance for Reproductive Health Rights (ARHR)</li> <li>▪ Centre for Democratic Development (CDD)</li> <li>▪ Centre for Agricultural Research and Development (CARD)</li> <li>▪ Choice-Ghana</li> <li>▪ Hope for Future Generations (HFFG)</li> <li>▪ Foundation for African Women's Advancement (FAWA)</li> </ul>

	<ul style="list-style-type: none"> <li>▪ Ghana Developing Communities Association (GDCA)</li> <li>▪ Institute for Policy Alternative (IPA)</li> <li>▪ Institute for Social Development (ISODEC)</li> <li>▪ Net Organisation for Youth Empowerment and Development (NOYED)</li> <li>▪ Northern Sector Awareness Centre (NORSAAC)</li> </ul>
--	--

**Source: Author's Construct, 2015**

## Appendix 10: Funding criteria for NNGDOs

### Gender Equality & Social Inclusion (GESI) – Small Grants Component

#### **Theme:**

Strengthening citizen engagements with local governance institutions (including district assemblies and traditional authorities) for sustainable and inclusive access to quality public goods and services and economic resources.

#### **Eligibility Criteria for the small NGOs and CSOs at the district level**

1. Should be able to state clearly the results and outcomes that will be achieved from the project;
2. Must demonstrate a track record in working with and delivering results for the target social groups;
3. Should have linkages with other Civil Society Organisations at district and local levels to leverage additional capacities;
4. Should provide bank statements for the past six (6) months);
5. Must be registered with the Registrar-General's Department with Tax Identification Number;
6. Be known by community leaders in the communities where they seek to operate their project;
7. Should be able to submit references from the District Assembly, Traditional Council or a funding organisation/agency.
8. Must not have been blacklisted by any donor agency, governmental agency or national CSO;
9. STAR Ghana may request additional information at the due diligence stage of the process when shortlisted;
10. Should provide 2015 audited accounts – for organisations which have been in existence for 3 years and above; and the latest financial statement – for organisations which have been in existence for below 3 years.

Appendix 11: Template funding application form

SECTION 1a: INFORMATION ABOUT YOUR ORGANISATION		
1.1	Name of Organisation/Coalition/Network	
1.2	Is your organisation a network/coalition/platform? Yes No	
	If your answer to question 1.2 is yes, Is your coalition/network/platform formalized by a memorandum of understanding for this funding? Yes No	
1.3	How many people are on your board/advisory committee and how were they elected / appointed?  <i>Outline the skills and experiences the Trustees/Board bring to the organisation to help achieve the objectives for this funding</i>	
1.4	Organisation registration number (if applicable)	
1.5	Date organisation was formed/established	
1.6	How does your organisation make a practice of ensuring equal opportunities for all citizens in the workplace and/or social inclusion ( men, women, boys and girls, persons with disability and other excluded social groups) in your programme/project work?  Please provide examples.	
1.8	Address <i>If the organisation has multiple offices, please give details of the head office</i>	
1.9	Telephone number	
1.10	Email	
1.11	Website	
SECTION 1b: KEY CONTACT PERSON		
1.12	Name <i>This is the only person that STAR-Ghana will contact about this application</i>	
1.13	Designation	
1.14	Contact address (if different from above)	
1.15	Email	
1.16	Telephone number[s]	
SECTION 1c: ORGANISATIONAL FINANCES		
1.17	Do you prepare monthly management accounts? <i>If yes, please provide details of the monthly management accounting process</i>	
1.18	Please describe below the organisations process for auditing. When will the current financial year end?	
1.19	How is the annual budget managed?	
1.20	What percentage of your average annual turnover for the past two years will this funding represent?	
(a) Income for year ending 2013:		

(b) Income for year ending 2014:

(c) Average annual income:

(d) Percentage of average annual turnover requested:

$$\frac{\text{amount of funding requested}}{\text{Average Income}} \times 100 = \%$$

[Please attach certified audited accounts for 2013 and 2014]

1.21 Who will be responsible for the financial accounting of funds provided under this project?

Name:

Designations:

Job description:

[Please attach CV]

1.22 Please explain how this project will provide value for money?

#### SECTION 1d: ADDITIONAL ORGANISATIONAL INFORMATION

1.23	How many staff do you employ?	Full time female	
		Part time female	
		Full time male	
		Part time male	
1.24	Number of staff by type	Senior management	
		Administration, Finance, Operations	
		Programmes	
		Support	

1.25 Please provide the details of the staff member who will manage the project

Name:

Designation:

Job description:

[please attach CV]

1.26 How is your organisation governed?

1.27 Has your organisation ever been blacklisted by STAR-Ghana or any of its donors (EU, DANIDA, DFID, and USAID)? If yes, provide details

1.28 Does your organisation have any outstanding audit/project queries from STAR-Ghana or any of its donors? If yes, provide details

1.29 Please describe your organisation's linkages with other organisations and agencies, including CSOs, media organisations, traditional authorities, professional associations and state agencies and how these will support the implementation of your project:

#### SECTION 2: PROJECT SUMMARY

*Please give brief details of proposed project*

2.1	What is the title of your project	
2.2	What is the rationale for the project?	
2.3	What objectives do you seek to achieve with the project?	



2.4	What is the proposed duration of your project (in months)?	
2.5	Which stage(s) of the Elections ‘value chain’ does your project focus on?	
2.6	What is the focus region(s)/district(s) of your proposed project? Why did you select these area(s)?	
2.7	Who are the main targets of your action? <sup>18</sup>	
2.8	What changes do you expect to achieve by the end of the project?	
2.9	What key strategies will you adopt to achieve project results? How innovative are these strategies	
2.10	What relevant previous experiences and other competencies does your organisation have to achieve the results of the project?	
2.11	How would you build on the gains and/or lessons from previous actions/initiatives to enhance the effectiveness of your project?	
2.12	(a) How will you mainstream gender equality into your proposed project and ensure that gender inequality is not perpetuated?	
	(b) How will you ensure that barriers (formal or informal) to participation for socially excluded groups are removed, their opportunities enhanced and that discrimination is not perpetuated?	
2.13	a) How will men, women, boys and girls benefit from the project?	
	(b) How will social group that are typically discriminated against (excluded) benefit from the project?	
2.14	What risks do you foresee in the implementation of your proposed project? How will you address or mitigate these risks? Please attach as a table	
2.15	How will your project contribute to peaceful, credible, issues-based and inclusive elections locally (project area) and beyond?	
<b>SECTION 3: RESULTS</b>		
3.1	What are the measurable milestones that will show progress towards achieving the results over the stipulated project period? How do you propose to achieve and measure the results offered? <i>(a results framework is attached to assist you) see attached</i>	
3.2	What are the cumulative results expected at the end of this project? <i>(this should be a summation of the end of year target(s) in your results framework)</i>	
3.3	How will you disaggregate the Outcomes of your results e.g. men, women, youth, disabled persons, people living with HIV/AIDS, people in remote locations, the poor etc	
<b>SECTION 4: IMPLEMENTATION PLAN/MONITORING, EVALUATION &amp; LESSON LEARNING</b>		
4.1	How will the implementation of your project and achievement of its objectives be monitored?	
4.2	Who will be involved in monitoring the project?	

<sup>18</sup> Targets refer to the actors and stakeholders whose actions, knowledge and attitudes your project seeks to influence

4.3	What tools and approaches are you planning to use?
4.4	How will your results framework be used in monitoring the project?
4.5	How will the learning from this project be captured and incorporated into your organisation?
4.6	Which stakeholders or those outside your project do you intend to share your learning with?
4.7	Do you have specific ideas for key learning questions to be answered through the implementation of this project? If yes, please state them here
4.8	Using the template provided, describe the activities, and sub-activities if applicable, that will be required to achieve each of your objectives. <i>(an activity plan matrix is attached to assist you)</i>
<b>SECTION 5: PROJECT BUDGET</b>	
5.1	Using the budget template provided, please give a detailed budget for this project.  Attach the templates to your applications
5.2	Give details of any other grants or funding you have received in the last 3 years as an organisation/coalition/network/platform/alliance:
5.3	If you are asking for partial funding, what other sources of funding do you expect and how much of it is confirmed?
<b>SECTION 6: ATTACHMENTS</b>	
<p>Please ensure that you have attached the following:</p> <p>Registration certificate [s]  Certified audited accounts for 2013 and 2014  Risk matrix  Completed results matrix  Completed activity plan matrix  Completed budget spreadsheet  Relevant CVs</p>	